

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

In re:

Chapter 11 Case No.

Lehman Brothers Holdings Inc., et al.,

08-13555

Debtors.

2014+ CASH FLOW ESTIMATES

DEBTORS' ADDRESS: LEHMAN BROTHERS HOLDINGS INC.
c/o MICHAEL S. LETO, CHIEF FINANCIAL OFFICER
1271 AVENUE OF THE AMERICAS
40th FLOOR
NEW YORK, NY 10020

DEBTORS' ATTORNEYS: WEIL, GOTSHAL & MANGES LLP
c/o JACQUELINE MARCUS, GARRETT A. FAIL
767 FIFTH AVENUE
NEW YORK, NY 10153

REPORT PREPARER: LEHMAN BROTHERS HOLDINGS INC., AS PLAN ADMINISTRATOR

Date: July 31, 2014

Table of Contents

I.	Schedule of Debtors	3
II.	Introductory Notes	4
III.	Basis of Presentation	5
IV.	Highlights	9
V.	Overview of Cash Activity – January 1, 2013 – April 5, 2014	11
VI.	Overview of the 2014+ Cash Flow Estimates	14
VII.	Comparison of 2014+ Cash Flow Estimates to the 2013+ CFE	20
VIII.	Analysis of the 2014+ Cash Flow Estimates by Debtor	26
IX.	2014+ Cash Flow Estimates	40
X.	Reconciliation of 2014+ Cash Flow Estimates to March 31, 2014 Balance Sheets	46
XI.	Schedule of Restricted Cash as of April 5, 2014	47

QUESTIONS

The Company has established an email address to receive questions from readers regarding this presentation and its other financial disclosures. The Company plans to review questions received, and for those subjects which the Company determines a response would not (i) violate a confidentiality provision, (ii) place the Company in a competitive or negotiation disadvantage, or (iii) be unduly burdensome relative to the value of information requested, the Company shall endeavor to post a response (maintaining the anonymity of the questions' origination) on the website maintained for the Company – www.lehman-docket.com. The Company assumes no obligation to respond to email inquiries.

Please email questions, with document references as needed, to:

QUESTIONS@lehmanholdings.com

I. Schedule of Debtors

The following entities (the “Debtors”) filed for bankruptcy in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) on the dates indicated below. On December 6, 2011, the Bankruptcy Court confirmed the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors (the “Plan”). On March 6, 2012, the “Effective Date” (as defined in the Plan) occurred. The Debtors’ Chapter 11 cases remain open as of the date hereof.

	Case No.	Date Filed
Lehman Brothers Holdings Inc. (“LBHI”)	08-13555	9/15/2008
LB 745 LLC	08-13600	9/16/2008
PAMI Statler Arms LLC	08-13664	9/23/2008
Lehman Brothers Commodity Services Inc. (“LBCS”)	08-13885	10/3/2008
Lehman Brothers Special Financing Inc. (“LBSF”)	08-13888	10/3/2008
Lehman Brothers OTC Derivatives Inc. (“OTC”)	08-13893	10/3/2008
Lehman Brothers Derivative Products Inc. (“LBDP”)	08-13899	10/5/2008
Lehman Commercial Paper Inc. (“LCPI”)	08-13900	10/5/2008
Lehman Brothers Commercial Corporation (“LBCC”)	08-13901	10/5/2008
Lehman Brothers Financial Products Inc. (“LBFP”)	08-13902	10/5/2008
Lehman Scottish Finance L.P.	08-13904	10/5/2008
CES Aviation LLC	08-13905	10/5/2008
CES Aviation V LLC	08-13906	10/5/2008
CES Aviation IX LLC	08-13907	10/5/2008
East Dover Limited	08-13908	10/5/2008
Luxembourg Residential Properties Loan Finance S.a.r.l (“Lux Resi”)	09-10108	1/7/2009
BNC Mortgage LLC	09-10137	1/9/2009
LB Rose Ranch LLC	09-10560	2/9/2009
Structured Asset Securities Corporation	09-10558	2/9/2009
LB 2080 Kalakaua Owners LLC	09-12516	4/23/2009
Merit LLC (“Merit”)	09-17331	12/14/2009
LB Somerset LLC (“LBS”)	09-17503	12/22/2009
LB Preferred Somerset LLC (“LBPS”)	09-17505	12/22/2009

II. Introductory Notes

The information and data included in these cash flow estimates and notes thereto (the “2014+ Cash Flow Estimates”) include estimates derived from sources available to LBHI and its Controlled Entities (collectively, the “Company”). The term “Controlled Entities” refers to those entities that are directly or indirectly controlled by LBHI and excludes, among others, those entities that are under separate administrations in the United States or abroad. A “Debtor-Controlled Entity” is a non-Debtor affiliate of the Debtors that is managed and controlled by a Debtor.

The 2014+ Cash Flow Estimates were prepared to update the 2013+ Cash Flow Estimates, filed July 23, 2013 (the “2013+ CFE”). In preparing these 2014+ Cash Flow Estimates, the Company made various estimates and assumptions based on information available to the Company. As such, this report contains forward-looking statements that involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including all statements containing information regarding the intent, belief or current expectation of the Company and members of its management. Readers of this report should not place undue reliance on these forward-looking statements.

The reader should read this report and the documents referenced herein (in particular the Balance Sheets as of March 31, 2014 and Management’s Discussion and Analysis and Accompanying Schedules filed July 30, 2014 (the “March 2014 Balance Sheets”)) with the understanding that as more information becomes available to the Company, any forward-looking statements may change, potentially in a material respect.

In addition, material uncertainties continue to exist regarding the ultimate value realizable from the Company’s assets, the timing of asset recoveries, future costs, and the eventual level of allowed creditors’ claims. These uncertainties may have a significant effect on the timing and amount of any future distributions to creditors. Accordingly, readers should not rely upon this report as the sole basis of an estimate of claim value, or as a complete description of the Company, its business, condition (financial or otherwise), results of operations, prospects, assets or liabilities.

III. Basis of Presentation

The 2014+ Cash Flow Estimates are based on estimated cash flows from assets managed in an orderly wind down and/or sale (and related costs of operations) over the period from April 6, 2014 through December 31, 2018 (the “Estimate Period” or “2014+”). (Refer to the Section VIII herein for information regarding cash activity during the period from January 1, 2013 through April 5, 2014.) As the Company cannot definitively specify a date for the final termination of activities, these 2014+ Cash Flow Estimates include an estimate for potential residual activities (remaining asset dispositions, disputed claims resolution, outstanding litigations, and administrative wind-down) that may extend beyond 2018.

All cash flows in the Estimate Period are presented on an undiscounted basis.

The Company may realize cash flows from certain assets in advance of the timing assumed in the 2014+ Cash Flow Estimates, either opportunistically as in the case of an early sale or strategic transaction, or as a function of factors out of the Company’s control, as in the case of loan refinancings. Such earlier monetization of assets may result in an acceleration of funds available for distributions to creditors, a change in total nominal cash flows estimated during the Estimate Period (e.g., forgone interest or dividends, or simply achieving a different value), and mitigation of the risk of a longer holding period. Alternatively, the Company may realize cash flows from certain assets later than the timing reflected in the 2014+ Cash Flow Estimates, and possibly at higher or lower values.

Certain classifications utilized in the 2014+ Cash Flow Estimates differ from prior report classifications; accordingly, amounts may not be comparable. For purposes of comparing the 2014+ Cash Flow Estimates to the 2013+ CFE, certain adjustments have been made and are discussed herein.

Key Assumptions

Litigation

For litigation actions which may result in a potential recovery to the Company (“Affirmative Litigations”), the largest of which are listed and described in the “Litigation Update” section of the Company’s quarterly balance sheet disclosures, the 2014+ Cash Flow Estimates **exclude** estimated recoveries unless one of the following conditions are met:

- (i) The Company has reached agreements in principle with the corresponding counterparties, in which case the 2014+ Cash Flow Estimates reflect estimated recoveries at the agreed amounts, or
- (ii) The Company has locked in value by purchasing notes of various special purpose vehicles, in which case the 2014+ Cash Flow Estimates reflect estimated recoveries from the value locked in.

The Company expects that the actual amounts of future recoveries related to Affirmative Litigations will be material; however, the final outcomes are contingent on a number of factors outside of the Company’s direct control and are thus highly uncertain.

Although potential litigation receipts are excluded herein, the 2014+ Cash Flow Estimates *do* include the estimated costs (*i.e.* professional legal and advisory fees) of supporting such litigations.

Among the litigation recoveries which are excluded from the estimates herein are estimated recoveries related to the strategic joint venture among LBHI, Lehman Brothers Holdings Intermediate 2 Ltd., and certain creditors of Lehman Brothers International (Europe) (“LBIE”) to align their collective interests toward facilitating the resolution of claims against LBIE (the “LBIE JV”) (refer to the Recoveries from Non-Controlled Affiliates section of the Overview of the 2014+ Cash Flow Estimates herein).

Key Assumptions (continued)

Recoveries from Non-Controlled Affiliates

Estimates of recoveries from Non-Controlled Affiliates are based on internal valuation models utilizing information obtained from both Non-Controlled Affiliates' fiduciaries, as well as information obtained by the Company through settlement negotiations, involvement on creditors' committees and ongoing cooperative exchanges.

Consistent with prior disclosures, estimates of timing of recoveries from Non-Controlled Affiliates have not been provided in the 2014+ Cash Flow Estimates.

In some cases, the Company's payments to Non-Controlled Affiliates are part of the resources used by such Non-Controlled Affiliates to pay their own obligations, including obligations payable to the Company.

For cases in which the Company has offsetting or partially offsetting payables to and receivables from certain Non-Controlled Affiliates, the Company has pursued and will continue to pursue offsetting arrangements with such Non-Controlled Affiliates to accelerate the distribution of cash to creditors. For consistency and comparability of reporting, the 2014+ Cash Flow Estimates reflect the full estimated recoveries from such Non-Controlled Affiliates prior to any offsetting arrangements. Refer to the March 2014 Balance Sheets for further information on existing offsetting arrangements.

For further discussion of assumptions related to estimated Recoveries from Non-Controlled Affiliates, refer to the Overview of the 2014+ Cash Flow Estimates section herein.

Non-Operating Disbursements

The Company expects that various assets will require additional investments and expenses to either preserve the value of the assets for the Company (e.g., to fund capital calls and support or improve real estate assets) and for certain other expenses (e.g. property taxes, transfer taxes) related to the sales of specific assets. These investments and expenses are presented herein as Non-Operating Disbursements.

Claims and Distributions

The 2014+ Cash Flow Estimates are presented before deducting estimates of:

- (i) future payments made by Debtors for secured, priority (including tax claims), administrative, general unsecured claims, some of which are disputed, and post-petition interest, and
- (ii) future payments made by Debtor-Controlled Entities on liabilities to Non-Controlled Affiliates and third parties.

Intercompany Recoveries Among Controlled Entities

The 2014+ Cash Flow Estimates include estimated intercompany recoveries between and among Debtors and Debtor-Controlled Entities, including:

- (i) receipts on pre-petition intercompany claims,
- (ii) equity distributions, and
- (iii) receipts and payments related to post-petition activity.

The 2014+ Cash Flow Estimates reflect the following assumptions in the calculation of intercompany recoveries between and among Debtors and Debtor-Controlled Entities:

- Cash balances as of April 5, 2014 (refer to the Cash Reconciliation in Section VIII herein);
- Allowed Claims as of March 31, 2014, and estimated unresolved claims to be allowed;
- An estimate of the allocation of taxes between and among Controlled Entities in accordance with the Debtor Allocation Agreement (refer to the March 2014 Balance Sheets for further details);
- Settlement of post-petition activity as presented in the March 2014 Balance Sheets, adjusted for certain items;

Key Assumptions (continued)

Intercompany Recoveries Among Controlled Entities (continued)

- Estimates for post-petition interest and equity distributions from Debtors that (i) have satisfied or are expected to satisfy their creditors in full and (ii) whose post-petition rates have not been determined have been **excluded** from Intercompany Recoveries; and
- Estimates on Subrogated Receivables from Affiliates and Third Parties as described in the March 2014 Balance Sheets have been **excluded** from Intercompany Recoveries.

Hedging

The 2014+ Cash Flow Estimates include an estimate for timing of recovery of amounts posted as of March 31, 2014 as margin for Derivatives hedging activities (\$35 million) and the Company's foreign currency hedging program (\$42 million). These estimates are included in "Derivatives" and "Other," respectively.

The 2014+ Cash Flow Estimates do not include estimates for disbursements for future hedging activity.

Presentation Differences

2013+ CFE

The 2014+ Cash Flow Estimates differ from the 2013+ CFE generally as follows:

- (i) as a result of changes to estimates,
- (ii) as a matter of presentation (“Presentation Adjustments”), whereby certain estimates are classified differently from the 2013+ CFE, but there is **no resulting economic effect** on the overall recoveries to the applicable legal entity. For comparative purposes, the Presentation Adjustments tables herein reflect adjustments to the estimates presented in the 2013+ CFE to align the classifications of cash flows in the 2013+ CFE with the 2014+ Cash Flow Estimates. These adjustments are generally due to one of the following:
 - a. Prior to the Estimate Period, certain assets were transferred among asset portfolios and legal entities for management and reporting purposes.
 - b. The 2013+ CFE presented estimates for certain Debtor-Controlled Entities at the Debtor with the beneficial interest in such cash flows, while the 2014+ Cash Flow Estimates are presented at the Debtor or Debtor-Controlled Entity on whose books the underlying assets are reported in the March 2014 Balance Sheets.

Balance Sheets

The presentation of estimates of asset monetizations in the 2014+ Cash Flow Estimates differs from the asset values reflected in the March 2014 Balance Sheets. Assets in the Balance Sheets are generally presented on a fair value basis reflective of discounted cash flows with the exception of Derivatives assets, which are presented on a recoveries basis. The 2014+ Cash Flow Estimates are presented on an undiscounted basis. (A description of the manner in which assets are presented in the March 2014 Balance Sheets is disclosed in the notes thereto.)

Operating Report - Schedule of Cash Receipts and Disbursements

Amounts presented in the 2014+ Cash Flow Estimates, including actual results in the Prior Period, may differ from the presentation of cash flows in the Company’s Post-Effective Operating Report - Schedule of Cash Receipts and Disbursements (“Cash Operating Report”), primarily as a matter of presentation, whereby certain amounts are classified differently from the presentation herein.

For example, LBHI collects cash on behalf of other Debtors and Debtor-Controlled Entities which do not maintain separate bank accounts. In such cases, the Cash Operating Reports reflect these cash collections at LBHI, whereas the 2014+ Cash Flow Estimates reflect these cash collections at the entity on whose books the related assets are reported in the March 2014 Balance Sheets.

Disclosure Statement

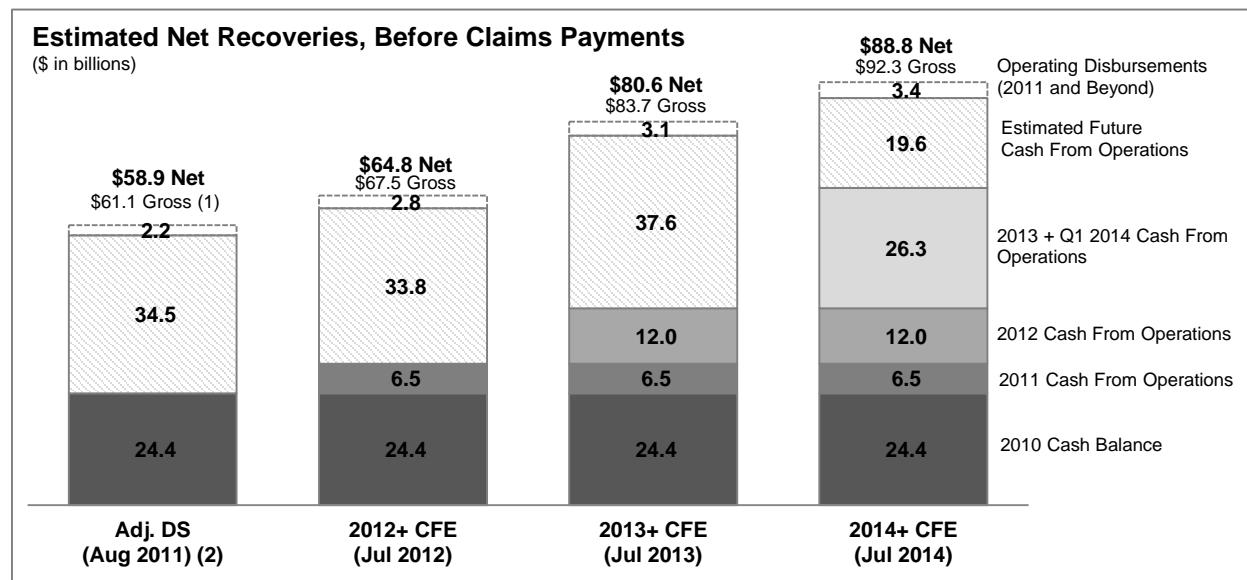
The presentation of the 2014+ Cash Flow Estimates differs from the presentation of the “Cash Flow Estimates Through 2014” as reported in Exhibit 7 to the Disclosure Statement of the Plan (“DS Exhibit 7”). Refer to the 2012+ Cash Flow Estimates filed July 25, 2012 (the “2012+ CFE”) for further discussion of these presentation differences.

IV. Highlights

Estimated Recoveries

Total estimates of aggregate gross recoveries, before operating disbursements and payments in satisfaction of secured, priority, administrative and unsecured claims of Debtors and liabilities of Debtor-Controlled Entities, increased by \$8.6 billion to \$92.3 billion in the 2014+ Cash Flow Estimates as compared to \$83.7 billion in the 2013+ CFE. Net of operating disbursements, total estimated net recoveries increased by \$8.3 billion to \$88.8 billion in the 2014+ Cash Flow Estimates as compared to \$80.6 billion in the 2013+ CFE. This increase was driven by:

- Recent collections, claims mitigation and other activities at Non-Controlled Affiliates which have resulted in increases in these entities' estimates of their own recoveries to creditors, which include Debtors and Debtor-Controlled Entities;
- Positive execution results and increased estimates of recoveries from asset monetization activities, primarily Private Equity / Principal Investments and Derivatives; partially offset by
- Increased estimates of operating disbursements, primarily driven by the continued increase of intensive and complex litigation and claims mitigation activities.



(1) Refer to Question (1) in the "Responses to Questions Received" posted to www.lehman-docket.com on August 4, 2012, for a reconciliation of these figures.

(2) Estimates included in DS Exhibit 7, adjusted for certain Presentation Adjustments (refer to the 2012+ CFE for further information).

Claims Resolution

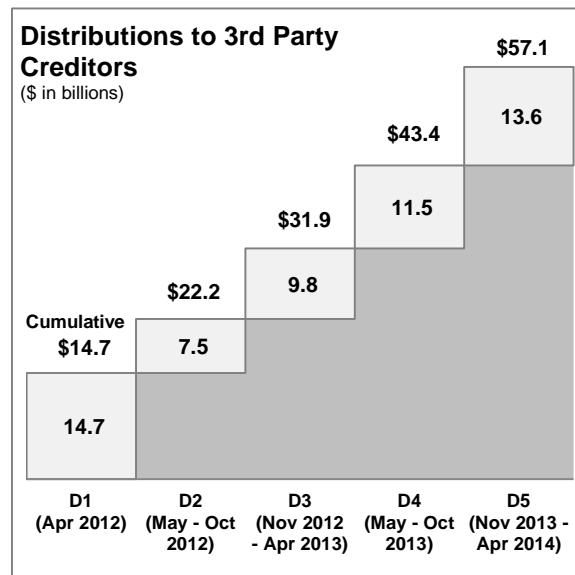
As of March 31, 2014, the Company estimated that total claims to be allowed at the end of the case will be \$341 billion, compared to \$369 billion estimated in the Plan (as adjusted in subsequent Plan Supplement disclosures). This \$28 billion reduction was primarily driven by:

- (i) Reductions of Third Party Guarantee Claims of approximately \$17 billion, largely as a result of settlements with certain banks under the Derivatives Claims Settlement Framework as published on May 31, 2011 and certain creditors of Non-Controlled Affiliates;
- (ii) Reductions of Derivatives Claims of approximately \$2 billion; and
- (iii) Reductions of other Third Party Claims of approximately \$6 billion, including a reduction in estimated RMBS claims.

The Company estimated the liability for claims that have yet to be allowed to be approximately \$26 billion as of March 31, 2014 (including approximately \$7 billion related to LBIE guarantees). (Refer to the March 2014 Balance Sheets for more information)

Distributions

Pursuant to the Plan, the Company has made and expects to continue to make semi-annual distributions to creditors of available cash. To date, the Company has made payments of \$57.1 billion on account of third party claims, including payments up to and including the fifth distribution to third party creditors of \$13.6 billion ("D5").

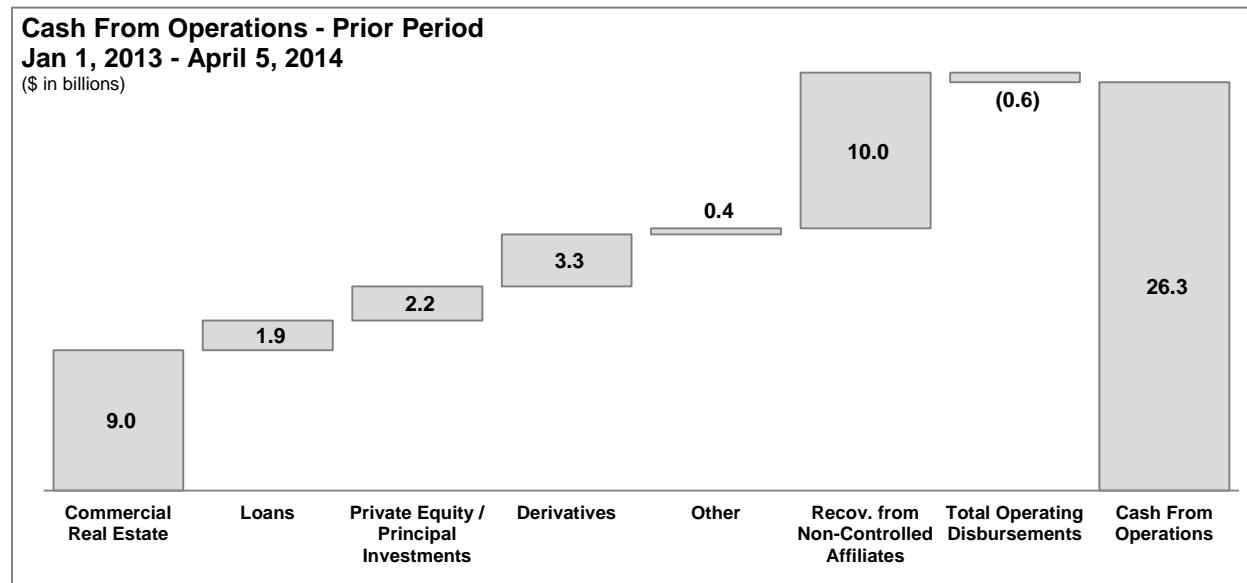


V. Overview of Cash Activity – January 1, 2013 – April 5, 2014

Cash From Operations

Cash From Operations (“CFO”) for the period beginning January 1, 2013 through March 31, 2014, and subsequently pro forma adjusted for the Company’s fifth distribution to unsecured creditors on April 5, 2014 (the period between January 1, 2013 through D5 is herein referred to as the “Prior Period”) was \$26.3 billion, derived from \$16.5 billion in asset monetization activities, \$10.0 billion in recoveries from Non-Controlled Affiliates, and \$0.4 billion in litigation recoveries and other activities, partially offset by \$0.6 billion in Operating Disbursements.

Key contributors to CFO for the Prior Period are discussed in more detail below. For further details, refer to the Management’s Discussion and Analysis sections of the quarterly Balance Sheets and monthly Post-Effective Operating Reports.



Cash From Operations (continued)

Commercial Real Estate

\$9.0 billion of Net Receipts reflects \$9.2 billion of gross receipts from asset management and monetization activities, offset by \$0.2 billion of Non-Operating Disbursements, primarily related to the entitlement and carry costs associated with land assets on the West Coast as well as the purchase of 3rd party senior debt associated with a property that was subsequently sold as an unencumbered asset.

Significant monetization activity included:

- Collection of approximately \$6.6 billion related to the sale of the assets of Archstone Enterprise LP to AvalonBay Communities, Inc. (“AVB”) and Equity Residential (“EQR”), which includes the sales of shares in AVB and EQR;
- Collection of \$409 million from the sale of 237 Park Avenue, an office building located in New York City;
- Collection of \$245 million from the sale of the Prologis industrial property portfolio, located in Nevada and Pennsylvania;
- Collection of \$229 million from the sale of Devonshire House, an office building located in London;
- Collection of \$131 million from the sale of 425 Park Avenue, an office building located in New York City; and
- Collection of \$122 million from the sale of the Ritz Kapalua Hotel, a hotel located in Hawaii.

Loans (Corporate & Residential)

\$1.9 billion of Net Receipts reflects \$2.0 billion of gross receipts from loan sales and pay downs, offset by \$0.1 billion of Non-Operating Disbursements primarily related to the exercise of certain “in the money” warrants to purchase corporate instruments, which the Company sold shortly thereafter, and loan fundings.

Significant monetization activity included:

- Principal pay down of \$399 million on the Hilton mezzanine loan (“Hilton”);
- Collections and sales proceeds of \$279 million related to the residential mortgage-backed securities portfolio;
- Principal pay down of \$165 million and \$10 million in sales proceeds related to Arinc Incorporated (“Arinc”);
- Recoveries of \$143 million from the settlement of the Standard Chartered Bank adversary proceeding [Docket No. 34358];
- Principal pay down of \$135 million from Chequer Finance; and
- The liquidation of the majority of the whole loan residential mortgage portfolio for net cash receipts of approximately \$92 million.

Private Equity / Principal Investments

\$2.2 billion of Net Receipts reflects \$2.2 billion of gross receipts from sales of investments and distributions from funds, offset by \$25 million of Non-Operating Disbursements.

Significant monetization activity included:

- The sale of a portion of the Company’s common equity investment in Neuberger Berman Group LLC for \$236 million;
- \$419 million related to limited partner interests in One William Street and R3;
- \$138 million from the sale of the investment in NB Private Equity Partners Ltd.;
- \$111 million from the paydown of Varel International’s loan; and
- \$105 million from the sale of the investment in MEG Energy.

Cash From Operations (continued)

Derivatives

\$3.3 billion of Net Receipts reflects collections related to settlements with various counterparties, including:

- The receipt of \$2.0 billion from mediations and other settlements related to SPV's and various other counterparties;
- The receipt of approximately \$1.2 billion related to distributions from Lehman Brothers Inc. ("LBI") in connection with derivatives transactions at LOTC and LBSF; and
- Recovery of funds held by Citi arising from the provision by Citi of CLS services of \$167 million.

The Company final settled approximately 550 contracts during the Prior Period out of the approximately 1,160 existing at the beginning of 2013.

Other

\$0.4 billion of Net Receipts was primarily driven by the settlement with a group of insurers related to the Marubeni litigation.

Recoveries from Non-Controlled Affiliates

\$10.0 billion of Net Receipts includes the following significant collection activity:

- The sales of approximately \$7.1 billion face amount of the Company's general unsecured claim against LBI for total net proceeds of approximately \$3.2 billion in a series of three sale transactions;
- Receipt of \$2.1 billion from Lehman Brothers Asia Holdings Ltd. ("LBAH");
- Receipt of \$1.5 billion of receipts pertaining to assigned receivables from Lehman Brothers Finance S.A. ("LBF");
- Receipt of approximately \$1.0 billion related to distributions primarily from LBI on allowed non-derivative customer claims at LOTC; and
- Receipt of approximately \$475 million from Lehman Brothers Commercial Corp Asia ("LBCCA").

Operating Disbursements

\$0.6 billion of operating disbursements is comprised of:

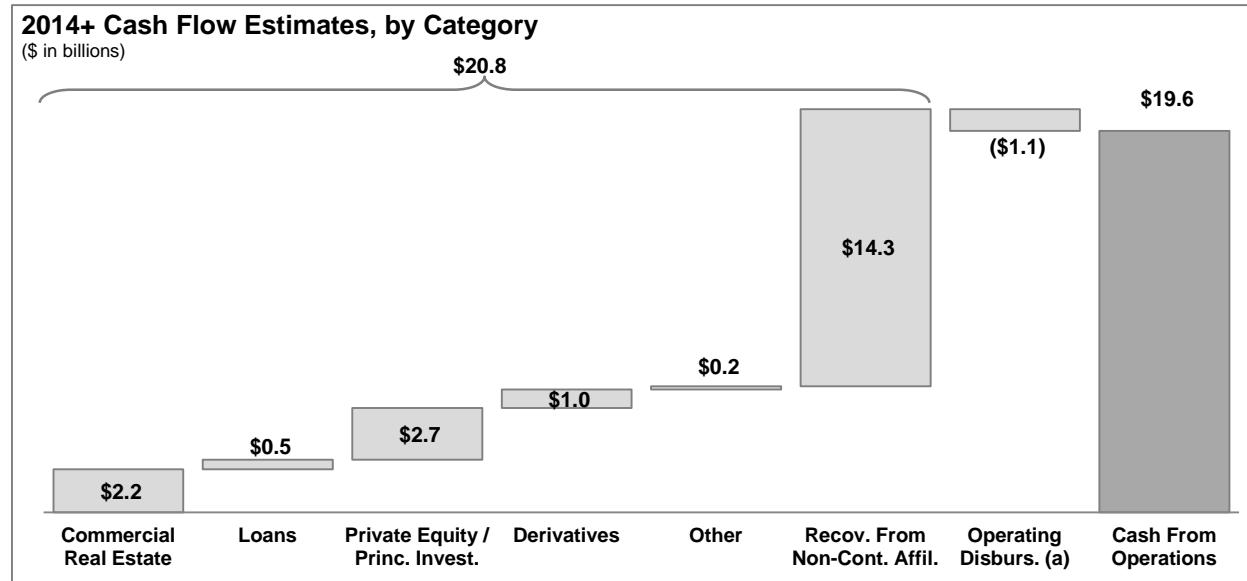
- Professional Fees of \$266 million, of which 65% was related to litigation and claims mitigation activities;
- Compensation and Benefits of \$213 million, which (i) excludes \$46 million of 2013 bonus payments that were accelerated from January 2013 into December 2012, and (ii) includes approximately \$56 million related to Alvarez & Marsal North America, LLC ("A&M") for certain staff resources;
- Incentive fees of \$46 million to A&M and Houlihan Lokey Howard & Zukin Capital, Inc. ("HLHZ");
- Outsourced Services and IT expenses of \$63 million; and
- Other administrative expenses of \$30 million.

VI. Overview of the 2014+ Cash Flow Estimates

The Company estimates that \$19.6 billion of Cash From Operations will be generated during the Estimate Period. As illustrated below, the bulk of future estimated cash flows are anticipated to be collected as recoveries from Non-Controlled Affiliates, and the majority of recoveries from remaining asset monetization activities are anticipated to be collected in 2014 and 2015.

Summary

(\$ in millions)	2014+ Cash Flow Estimates			
	Apr-Dec 2014	2015	2016+	Total
Net Receipts	3,449	2,138	905	6,492
Operating Disbursements (a)	(311)	(377)	(431)	(1,119)
Recoveries from Non-Controlled Affiliates				14,266
Total Cash From Operations (CFO)				19,639



- (a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Net Receipts

The Company estimates that 2014+ Net Receipts (excluding Recoveries from Non-Controlled Affiliates) will be \$6.5 billion during the Estimate Period. The sections below provide a more detailed analysis of estimated cash flows by category.

Net Receipts

(\$ in millions)	2014+ Cash Flow Estimates			
	Apr-Dec 2014	2015	2016 - 2018	Total
Commercial Real Estate	1,184	867	165	2,216
Loans (Corporate & Residential)	443	40	16	499
Private Equity / Principal Investments	1,033	921	701	2,656
Derivatives	734	220	-	954
Other	55	90	23	168
Total - Net Receipts	3,449	2,138	905	6,492

Commercial Real Estate

Commercial Real Estate (“CRE”) includes whole loans, real estate owned properties, joint venture equity interests in commercial properties, and other real estate-related investments.

The Company estimates that it will collect \$2.2 billion in Net Receipts from CRE monetization activity during the Estimate Period.

Approximately 50% of the Apr-Dec 2014 Net Receipts estimate was collected in April and May 2014. The balance of the estimated recoveries in 2014 and 2015 primarily consist of monetization activities related to (i) hospitality properties for which property improvement programs have been completed, (ii) land for which the Company anticipates obtaining necessary entitlements, and (iii) European commercial properties.

Approximately \$165 million of recoveries are estimated to remain post-2015. These post-2015 recoveries include: (i) commercial properties undergoing redevelopment requiring more time for lease-up prior to sale, (ii) receipts from structured settlements agreed in prior years, (iii) passive investments in which the Company has limited control, and (iv) land holdings for which time is required to entitle or re-entitle sites for optimal land uses and densities.

Loans (Corporate and Residential)

Corporate Loans primarily consist of commercial term loans, revolving credit facilities with fixed maturity dates, corporate equity securities and trade claims. Residential Real Estate Loans includes whole loans, mortgage-backed securities, securitized loans, and real estate owned properties.

The Company estimates that it will collect approximately 90% of the \$0.5 billion from Loans during the remainder of 2014.

The Company’s estimated Net Receipts from these assets include proceeds from the sale of commercial term loans, equity positions and residential mortgage-backed securities.

Net Receipts (continued)

Private Equity / Principal Investments

Private Equity / Principal Investments (“PE/PI”) include equity and fixed-income direct investments in companies and general partner and limited partner interests (“GP/LP positions”) in investment fund vehicles (including private equity) and in related funds.

The Company estimates that it will collect \$2.7 billion from PE/PI monetization activity during the Estimate Period. This estimate includes:

- \$1.5 billion of receipts from the management and monetization of direct investments; and
- \$1.1 billion of proceeds from the sales of and distributions related to GP/LP positions.

The collections in 2016+ consist of proceeds from the sale of certain remaining direct assets as well as distributions related to private equity limited partnership interests.

Derivatives

Derivatives recoveries, excluding Affirmative Litigations as described below, represent amounts due from counterparties related to matured, terminated and open trades and are included in the 2014+ Cash Flow Estimates at expected recovery amounts, net of cash and securities collateral. The Company’s estimated recovery amounts with respect to derivative contracts are determined using various models, data sources, and certain assumptions regarding contract provisions.

For Affirmative Litigations, the 2014+ Cash Flow Estimates **exclude** estimated recoveries unless one of the following conditions are met:

- (i) The Company has reached agreements in principle with the corresponding counterparties, in which case the 2014+ Cash Flow Estimates reflect estimated recoveries at the agreed amounts, or
- (ii) The Company has locked in value by purchasing notes of various special purpose vehicles, in which case the 2014+ Cash Flow estimates reflect estimated recoveries from the value locked in.

The Company estimates that it will collect \$1.0 billion from Derivatives activity during the Estimate Period.

The 2014+ Cash Flow Estimates include the return of \$35 million of cash collateral posted with third-party brokers as of March 31, 2014 in support of hedging transactions, net of estimated gains or losses.

Other

“Other” in the 2014+ Cash Flow Estimates primarily includes (i) interest income collected on Treasury investments (net of purchased interest), and (ii) recoupment of cash posted for foreign currency hedging transactions.

Aurora Commercial Corp. (“Aurora”) and its subsidiaries are party to various litigation matters, primarily matters asserting claims against it arising out of its mortgage origination and servicing operations. As such, estimated potential recoveries related to LBHI’s investment in Aurora are excluded from the 2014+ Cash Flow Estimates.

Recoveries from Non-Controlled Affiliates

The Company estimates that 2014+ Recoveries from Non-Controlled Affiliates will be \$14.3 billion during the Estimate Period.

Recoveries from Non-Controlled Affiliates represent estimated recoveries on intercompany claims against affiliates of the Company that were not managed or controlled by a Debtor as of the Effective Date, including all affiliates that are subject to separate proceedings in the U.S. or abroad.

Estimates of recoveries from Non-Controlled Affiliates are subject to substantial timing uncertainties. As such, consistent with prior disclosures, the Company has estimated totals for such recoveries in the 2014+ Cash Flow Estimates, but does not provide estimated timing of these recoveries.

Estimates of recoveries from Non-Controlled Affiliates, with the exception of LBI-related recoveries as discussed below, are based on information obtained from both Non-Controlled Affiliates' fiduciaries, which have in many cases increased their own estimates, as well as information obtained by the Company through settlement negotiations, involvement on creditors' committees and ongoing cooperative exchanges. Actual recoveries from Non-Controlled Affiliates may vary materially from estimates included herein.

In some cases, the Company's payments of obligations to Non-Controlled Affiliates are part of the resources used by such Non-Controlled Affiliates to pay their own obligations, including obligations payable to the Company.

For cases in which the Company has offsetting or partially offsetting payables to and receivables from certain Non-Controlled Affiliates, the Company has pursued and will continue to pursue offsetting arrangements with such Non-Controlled Affiliates to accelerate the distribution of cash to creditors. For consistency and comparability of reporting, the 2014+ Cash Flow Estimates reflect the full estimated recoveries from such Non-Controlled Affiliates prior to any offsetting arrangements.

Strictly for purposes of this presentation of the Company's 2014+ Cash Flow Estimates:

- Estimates of future recoveries related to the Company's remaining general unsecured claims against LBI ("LBI GUC") are calculated based on 45.0% of face value, an approximation of recent market value.
- Estimates of future recoveries related to the LBIE JV are excluded from the estimates herein. The Company's ultimate recoveries from the LBIE JV are conditioned upon the resolution of a number of complex legal disputes surrounding distributions from LBIE, including (i) the priority of surplus payments to subordinated debt versus post-petition interest to unsecured creditors, (ii) the impact of post-petition interest on currency conversion claims, (iii) the interpretation of the LBIE's pre-petition contracts, and (iv) various other legal issues. The Company expects that the actual amounts of future recoveries related to LBIE and the LBIE JV will be material; however, the final outcomes are contingent on a number of factors outside of the Company's direct control and are thus highly uncertain.

Operating Disbursements

The Company estimates that 2014+ Operating Disbursements will be \$1.1 billion during the Estimated Period.

Operating Disbursements

(\$ in millions)	2014+ Cash Flow Estimates			
	Apr-Dec 2014	2015	2016+	Total
Professional Fees	(146)	(167)	(122)	(434)
Compensation & Benefits	(62)	(104)	(181)	(347)
Incentive Fees	(59)	(61)	(49)	(169)
Outsourced Services & IT	(29)	(26)	(38)	(93)
Other	(15)	(19)	(42)	(76)
Total - Operating Disbursements	(311)	(377)	(431)	(1,119)

Operating Disbursements include:

- **Professional Fees:** fees paid to third party professional services firms, including legal counsel and other consulting and advisory fees supporting litigation activities, claims mitigation activities, bankruptcy and Plan-related activities, audit and financial-related services, and other administrative activities;
 - **Compensation and Benefits:** personnel expenses including compensation, incentives, benefits, severance, and payroll taxes for employees of the Company (annual bonus and severance payments are typically paid in the beginning of the following calendar year, thus a significant portion of compensation and benefits expenses generally lags one year for cash reporting), as well as fees and expenses paid to A&M for certain staff resources;
 - **Incentive Fees:** estimated formula-based incentive fees for the LBHI Board of Directors and third party professional services firms, including A&M and HLHZ;
 - **Outsourced Services (“OS”), IT, and Other:**
 - **OS and IT:** asset management and infrastructure-related expenses, including but not limited to information technology, communications, outsourced asset management service providers, and market data and analytics; and
 - **Other Miscellaneous Expenses:** administrative expenses, such as insurance premiums, occupancy costs, taxes and filing fees, and employee expense reimbursements.
- As part of the Company's post-Effective Date expense management program, the Company continually reviews the utilization of third party professional service providers to optimize both efficiency and execution.
- The estimates herein assume that costs will continue to be incurred to monetize remaining financial assets, resolve outstanding litigations and disputed claims, and to execute the wind-down of operations. As the inventory of remaining assets is reduced, the Company expects that it will continue to focus on the management and resolution of claims, pursuit of outstanding litigations, and administrative wind-down activities. This continued focus is reflected in these 2014+ Cash Flow Estimates for Compensation & Benefits (particularly in Litigation Support and Claims) and increases in estimates for Professional Fees for litigation, claims resolution, and wind-down activities.

Operating Disbursements (continued)

The estimates herein reflect the assumption that the preponderance of asset monetization, collections and claim mitigation activities will be completed by the end of 2018. As the Company cannot definitively specify a date for the final termination of activities, these 2014+ Cash Flow Estimates include an estimate for residual activities that may extend beyond 2018 (final asset dispositions, resolution of remaining disputed claims, pursuit of outstanding litigations, remaining collections from Non-Controlled Affiliates, corporate entity dissolutions, and financial and tax reporting requirements).

Cost Allocations

Expenses are allocated to significant Debtor and Debtor-Controlled Entities based on a revised methodology that was implemented as of April 1, 2012 (the “Post-Effective Methodology”). The Company continually reviews the methodology for allocating costs, and adjustments have been reflected in the 2014+ Cash Flow Estimates.

The Post-Effective Methodology utilized herein categorizes and allocates expenses as follows:

- (i) Costs directly attributable to specific legal entities, such as dedicated staff costs and professional fees associated with assets or legal matters which benefit specific legal entities, are directly assigned to the corresponding legal entities;
- (ii) Costs attributable to the support and management of specific asset portfolios (e.g. Commercial Real Estate, Loans), such as asset management staff, professional fees and technology costs to support the asset portfolios, are allocated to legal entities based on the pro rata ownership of inventory within each asset portfolio;
- (iii) Restructuring costs associated with claims mitigation, distributions, and other bankruptcy-related activities are allocated to Debtor legal entities based on formulas incorporating outstanding unresolved claims and cumulative distributions; and

- (iv) All remaining administrative costs are allocated to legal entities based on formulas incorporating net cash receipts, pro rata ownership of inventory, and outstanding unresolved claims.

The Company has instructed various professionals to invoice their services post-Effective Date by asset, asset portfolio, and/or legal matter such that costs can be directly assigned to the legal entities benefitting from such services; this practice has significantly reduced costs subject to formula-based allocations. In the 2014+ Cash Flow Estimates herein, 73% of estimated operating disbursements were assigned directly to legal entities based on asset, asset portfolio, or matter-level cost estimates, and the remaining 27% of estimated operating disbursements were allocated to legal entities based on formulas as described in (iii) and (iv) above.

The Debtor Allocation Agreement, which became effective on the Effective Date, provided, among other things, for an allowed administrative expense claim of LBSF against LBHI in the amount of \$300 million as a credit against allocation of administrative costs. Accordingly, LBSF’s allocated costs were offset against this credit starting beginning September 30, 2011 through the quarter ended September 30, 2013, at which point costs allocated to LBSF exceeded the \$300 million credit. For further information of the Debtor Allocation Agreement, refer to Article VI of the Plan.

VII. Comparison of 2014+ Cash Flow Estimates (and 2013 Actual Results) to the 2013+ CFE

Presentation Adjustments

The table below presents a reclassification of the estimates included in the 2013+ CFE, which have no economic impact on overall recoveries. These adjustments are as follows:

- The 2013+ CFE presented estimated recoveries from the Kingfisher securitization within Private Equity / Principal Investments; estimated future recoveries related to claims against Non-Controlled Affiliates claims have been re-categorized in the 2014+ Cash Flow Estimates as Recoveries from Non-Controlled Affiliates. For further information on the Kingfisher securitization, refer to the 2013 Balance Sheets.
- The 2013+ CFE presented estimated recoveries related to allowed customer claims of Woodlands against LBI in Other; these recoveries have been re-categorized in the 2014+ Cash Flow Estimates as Recoveries from Non-Controlled Affiliates.
- The 2014+ Cash Flow Estimates reflect various movements of assets between and among asset portfolios consistent with the presentation of inventory and related cash flows in the Company's quarterly balance sheet disclosures and Cash Operating Reports.

Presentation Adjustments

(\$ in millions)	2013+ CFE, as filed			Presentation Adjustments			2013+ CFE, as adjusted		
	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total
Commercial Real Estate	7,883	3,194	11,077	-	-	-	7,883	3,194	11,077
Loans (Corporate & Residential)	1,417	737	2,155	-	-	-	1,417	737	2,155
Private Equity / Principal Investments	1,872	2,112	3,985	-	(286)	(286)	1,872	1,826	3,699
Derivatives	2,944	667	3,611	(29)	14	(15)	2,915	680	3,596
Other	709	123	832	(494)	-	(494)	215	123	337
Subtotal - Net Receipts	14,826	6,833	21,659	(523)	(272)	(795)	14,303	6,561	20,864
Operating Disbursements	(a)	(614)	(796)	(1,410)	-	-	(614)	(796)	(1,410)
Recoveries from Non-Controlled Affiliates	536		17,387			795	536		18,183
Total Cash From Operations (CFO)			37,637			-			37,637

Prior Period: January 1, 2013 - April 5, 2014

- (a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Summary

Total Cash From Operations (2013 and beyond) increased by \$8.3 billion to \$45.9 billion as compared to amounts presented in the 2013+ CFE of \$37.6 billion. As described in more detail in the sections to follow, this increase is primarily driven by:

- A \$6.1 billion increase in estimated Recoveries from Non-Controlled Affiliates;
- A \$2.5 billion increase in estimated Net Receipts due to positive execution results and increases in estimates across all asset classes, most notably Private Equity / Principal Investments and Derivatives; partially offset by
- A \$0.3 billion increase in estimated Operating Disbursements due primarily to increases in the intensity and duration of litigation and claims mitigation activities, resulting in higher litigation-related professional fees and compensation, as well as increases in formula-based Incentive Fees.

Summary

(\$ in millions)	2013+ CFE, as adjusted			2014+ Cash Flow Estimates (Incl. Prior Period Actual)			Fav / (Unfav) Variance		
	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total
Net Receipts	14,303	6,561	20,864	16,848	6,492	23,340	2,545	(69)	2,477
Operating Disbursements	(a) (614)	(796)	(1,410)	(618)	(1,119)	(1,738)	(4)	(324)	(328)
Recoveries from Non-Controlled Affiliates	536		18,183	10,022	14,266	24,288	9,486		6,105
Total Cash From Operations (CFO)			37,637	26,252	19,639	45,891	12,027		8,254

Prior Period: January 1, 2013 - April 5, 2014

- (a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Net Receipts

Total Net Receipts (2013 and beyond) increased by \$2.5 billion to \$23.3 billion as compared to Total Net Receipts presented in the 2013+ CFE of \$20.9 billion. Changes by category are described below.

Net Receipts

(\$ in millions)	2013+ CFE, as adjusted			2014+ Cash Flow Estimates (incl. Prior Period Actual)			Fav / (Unfav) Variance		
	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total
Commercial Real Estate	7,883	3,194	11,077	9,023	2,216	11,239	1,140	(978)	161
Loans (Corporate & Residential)	1,417	737	2,155	1,909	499	2,408	492	(239)	253
Private Equity / Principal Investments	1,872	1,826	3,699	2,190	2,655	4,845	317	829	1,146
Derivatives	2,915	680	3,596	3,349	954	4,304	434	274	708
Other	215	123	337	377	168	545	163	45	208
Total - Net Receipts	14,303	6,561	20,864	16,848	6,492	23,340	2,545	(69)	2,477

Prior Period: January 1, 2013 - April 5, 2014

Commercial Real Estate

Total Net Receipts increased by \$161 million, primarily due to (i) improved real estate market conditions in many of the markets in which real estate assets are owned, and (ii) better than anticipated execution in certain transactions which attracted multiple buyers, partially offset by lower proceeds realized from the accelerated sales of the common shares of EQR and AVB, and West coast land assets sold “as is” prior to attaining previously anticipated entitlements. Changes in estimates reflect periodic re-underwriting of positions which incorporate exit assumptions in line with recent market trends and comparables as noted above.

Prior Period actual Net Receipts were \$1,140 million higher than estimated in the 2013+ CFE, due predominantly to the acceleration of the sale of the common shares of EQR and AVB. The remaining variances primarily reflect the net effect of higher recoveries on certain assets offset by the accelerated sales of certain assets that did not achieve the full execution of the previously anticipated business plan.

Loans (Corporate & Residential)

Total Net Receipts increased by \$253 million, primarily due to higher than anticipated recoveries realized through the monetization of the residential real estate portfolio, as well as higher than anticipated recoveries from the sales and refinancings of corporate loan positions.

Prior Period actual Net Receipts were \$492 million higher than estimated in the 2013+ CFE primarily due to the accelerated refinancings of two corporate loan positions (Hilton and Arinc) compared to the timing estimated in the 2013+ CFE.

Net Receipts (continued)

Private Equity / Principal Investments

Total Net Receipts increased by \$1,146 million, primarily due to (i) an increase in the expected realization from interests in Antero Resources LLC, First Data Holdings, Inc., Firth Rixson Ltd. and Formula One, (ii) an increase in the final agreed sale price of equity in Neuberger Berman LLC compared to estimates presented in the 2013+ CFE, and (iii) a net overall increase in estimated recoveries from other assets in the portfolio.

Prior Period actual Net Receipts were \$317 million higher than estimated in the 2013+ CFE, primarily due to the increased proceeds from and acceleration of certain monetizations into 2013.

Other

Total Net Receipts increased by \$208 million, primarily due to proceeds from a settlement with a group of insurers related to the Marubeni litigation received in 2013 (consistent with the assumptions herein, estimated litigation recoveries were not included in the 2013+ CFE).

Derivatives

Total Net Receipts increased by \$708 million, primarily due to higher anticipated recoveries from SPV's and a net increase in other positions in the Derivatives portfolio related to settlements with various counterparties.

Prior Period actual Net Receipts were \$434 million higher than estimated in the 2013+ CFE, primarily due to better than estimated settlements with various counterparties.

Operating Disbursements

Total Operating Disbursements (2013 and beyond) increased by \$0.3 billion to \$1.7 billion as compared to Total Operating Disbursements presented in the 2013+ CFE of \$1.4 billion. Changes by category are described below. Refer to the Operating Disbursements section of the Overview of the 2014+ Cash Flow Estimates for further disclosure.

Operating Disbursements

(\$ in millions)	2013+ CFE, as adjusted			2014+ Cash Flow Estimates (incl. Prior Period Actual)			Fav / (Unfav) Variance		
	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total	Prior Period	Estimate Period	Total
	(255)	(271)	(526)	(266)	(434)	(701)	(11)	(163)	(174)
Professional Fees	(215)	(265)	(480)	(213)	(347)	(560)	2	(82)	(80)
Compensation & Benefits	(50)	(122)	(172)	(46)	(169)	(215)	4	(47)	(43)
Incentive Fees	(64)	(74)	(138)	(63)	(93)	(156)	1	(19)	(18)
Outsourced Services & IT	(30)	(63)	(93)	(30)	(76)	(106)	0	(13)	(13)
Other	(614)	(796)	<u>(1,410)</u>	(618)	(1,119)	<u>(1,738)</u>	(4)	(324)	<u>(328)</u>
Total - Operating Disbursements									

Prior Period: January 1, 2013 - April 5, 2014

Professional Fees

Professional Fees increased \$174 million, primarily driven by the expectation of an increase in the volume and intensity of litigation and claims mitigation activities, accompanied by a related anticipated increase in fees and expenses for third-party professionals, including outside counsel and expert witnesses, involved in these areas.

Compensation & Benefits

Compensation & Benefits increased \$80 million, primarily driven by an anticipated increase in both the number and duration of specialized staff required to manage and execute (i) the increased activities related to ongoing and pending litigations and claims mitigation, and (ii) the continued optimization and collections of recoveries from Non-Controlled Affiliates.

Incentive Fees

Incentive Fees increased \$43 million, primarily as a result of formula-based calculations which incorporate increased estimates of recoveries compared to those in the 2013+ CFE.

Outsourced Services & IT

Outsourced Services and IT expenses increased \$18 million, primarily driven by increases in estimated formula-driven incentive fees in connection with better than expected and accelerated recoveries from European Commercial Real Estate assets which involve a third party asset manager.

Other

Other operating disbursements increased \$13 million, driven by increased estimates for occupancy costs required to accommodate the anticipated increase and extended duration of resources for litigation and claims mitigation activities.

Recoveries from Non-Controlled Affiliates

Total Estimates of Recoveries from Non-Controlled Affiliates to Debtors and Debtor-Controlled Entities on net intercompany receivables increased by \$6.1 billion to \$24.3 billion compared to amounts shown in the 2013+ CFE. This increase was driven by an increase in estimates of recoveries from Non-Controlled Affiliates largely due to recent collections, claims mitigation and other activities at Non-Controlled Affiliates which have resulted in increases in these entities' estimates of their own recoveries to creditors, including Debtors and Debtor-Controlled Entities, as well as better information obtained by Non-Controlled Affiliates fiduciaries, who have in many cases increased their own estimates, as well as additional information obtained by the Company through settlement negotiations and involvement on creditors' committees.

Refer to the Overview of the 2014+ Cash Flow Estimates section for additional disclosure.

Recoveries from Non-Controlled Affiliates

(\$ in millions)	2013+ CFE, as adjusted		2014+ Cash Flow Estimates (incl. Prior Period Actual)			Fav / (Unfav) Variance
	Prior Period	Total	Prior Period	Estimate Period	Total	
Recov. from Non-Cont. Affiliates	536	<u>18,183</u>	10,022	14,266	<u>24,288</u>	6,105

Prior Period: January 1, 2013 - April 5, 2014

VIII. Analysis of the 2014+ Cash Flow Estimates by Debtor

Cash Reconciliation

The table below presents cash activity for the Prior Period, by legal entity. Refer to the Company's Cash Operating Reports for further detail.

Cash Reconciliation

(\$ in millions)		LBHI	LCPI	LBSF	Other	Debtors	Debtors- Controlled	
		(a)	\$ 10,286	\$ 1,506	\$ 3,394	\$ 1,672	\$ 2,664	\$ 19,523
Beginning Cash Balance - 12/31/2012		(b)	7,983	2,303	2,105	2,782	10,245	25,417
Plus: Cash From Operations - 1/1/2013 - 3/31/2014								
Adjustments:								
Payments to Non-Controlled Affiliates by Debtor-Controlled Entities	(c)	-	-	-	-	-	(240)	(240)
Distributions to Third Party & Non-Controlled Affiliate Unsec. Creditors	(d)	(18,821)	(927)	(1,445)	(1,028)	(8)	(22,229)	
Net Intercompany Distributions Received from (Paid to) Controlled Entities	(e)	6,443	(5,753)	(793)	(789)	891	-	
Other Cash Receipts & Disbursements		4	(14)	29	20	(60)	(20)	
Other Net Intercompany Receipts / (Payments)	(f)	6,299	6,157	382	(480)	(12,358)	-	
Net Cash Activity - 1/1/2013 - 3/31/2014		1,909	1,766	278	506	(1,530)	2,929	
Ending Cash Balance - 3/31/2014	(a)	\$ 12,195	\$ 3,272	\$ 3,672	\$ 2,178	\$ 1,134	\$ 22,451	
Plus: Cash From Operations - 4/1/14 through 4/5/14	(g)	787	-	47	2	-	836	
Adjustments:								
Other Net Intercompany Receipts / (Payments)	(f)	302	405	7	379	(1,095)	-	
Distributions to Third Party & Non-Controlled Affiliate Unsec. Creditors - D5	(d)	(10,994)	(420)	(663)	(533)	-	(12,610)	
Net Intercompany Distributions Received from (Paid to) Controlled Entities - D5	(e)	3,111	(2,836)	(513)	(535)	773	-	
Ending Cash Balance, post-D5 - 4/5/2014		\$ 5,401	\$ 422	\$ 2,551	\$ 1,491	\$ 812	\$ 10,677	
Total Cash From Operations - 1/1/2013 - 4/5/2014		\$ 8,770	\$ 2,303	\$ 2,152	\$ 2,784	\$ 10,245	\$ 26,253	

- (a) **Cash Balance.** As reported on the respective balance sheets. The “Ending Cash Balance – 3/31/2014” for Debtor-Controlled of \$1,134 million does not include the Aurora cash balance of approximately \$220 million as of March 31, 2014.
- (b) **Cash From Operations – 1/1/2013 – 3/31/2014.** Includes cash receipts related to (i) asset monetization activities, interest, and dividends, (ii) recoveries from Non-Controlled Affiliates, and (iii) other miscellaneous receipts, less non-operating disbursements and operating expenses.
- (c) **Payments to Non-Controlled Affiliates by Debtor-Controlled Entities.** Represents amounts paid by Debtor-Controlled Entities in Asia primarily for liabilities due to LBAH.
- (d) **Distributions to Third Party and Non-Controlled Affiliate Unsecured Creditors.** Between January 1, 2013 and March 31, 2014, the Debtors distributed approximately \$22.2 billion to third party unsecured creditors, including Non-Controlled Affiliates, including: (i) distributions made in April and October 2013 (“D3” and “D4,” respectively) of \$21.2 billion, (ii) payment of \$767 million to Federal Loan Mortgage Corporation as a result of a settlement agreement, (iii) payment of \$161 million payment to LBIE for an allowed guarantee claim, (iv) payment of \$153 million to LBF on an allowed claim of \$942 million.

In April 2014, the Debtors distributed approximately \$12.6 billion in aggregate to third party unsecured creditors, including Non-Controlled Affiliates. As of April 5, 2014, distributions of \$494 million on account of allowed claims had not been paid out to claimants and as such, are not presented as a cash item in the table above.

- (e) **Net Intercompany Distributions Received From (Paid to) Controlled Entities.** These amounts include (i) distributions to Debtors and Debtor-Controlled Entities on their allowed claims, and (ii) Plan Adjustments transferred from Participating Subsidiary Debtors (as defined in the Plan) to LBHI.

- (f) ***Other Net Intercompany Receipts / (Payments)***. These amounts include (i) partial repayments on intercompany balances and dividends from Debtor-Controlled Entities to Debtors (primarily LBHI and LCPI), (ii) payments on post-petition activity, including the reimbursement of allocated costs to LBHI from Debtors and Debtor-Controlled Entities, (iii) remittance of cash collected by certain legal entities on behalf of other legal entities, and (iv) return of priority tax reserves from LBHI to certain Debtors and Debtor-Controlled Entities.
- (g) ***Cash From Operations – 4/1/14 through 4/5/14***. These amounts include receipts of \$396 million from LBT and LBS related to withheld distributions and \$440 million related to distributions received on claims assigned to LBHI as part of the LBF settlement (refer to the April 2014 Cash Operating Report [Docket No. 44478] for further information).

Refer to the monthly Cash Operating Reports for more information.

Presentation Adjustments

To facilitate comparisons of the 2014+ Cash Flow Estimates to the estimates presented in the 2013+ CFE and the reporting of estimated intercompany recoveries, the table below presents a reclassification of the estimates included in the 2013+ CFE. These reclassifications, or presentation adjustments, have *no economic impact* on the ultimate recoveries for each of the Debtors.

The presentation adjustments included below and herein are due to one of the following:

- (i) The 2013+ CFE presented estimates for certain Debtor-Controlled Entities at the Debtor with the beneficial interest in such cash flows, while the 2014+ Cash Flow Estimates are presented at the Debtor or Debtor-Controlled Entity on whose books the underlying assets are reported in the March 2014 Balance Sheets. The presentation adjustments below reflect the reclassification of the 2013+ CFE cash flows to the legal entity with direct ownership of the underlying assets, consistent with the March 2014 Balance Sheets. The corresponding intercompany cash flows from subsidiary entities to parent entities are herein reflected in the Cash Reconciliation schedule (page 26) for collections during the Prior Period, or in estimated intercompany recoveries in the total 2014+ Cash Flow Estimates at each entity.
- (ii) During the Prior Period, certain assets were transferred among asset portfolios and legal entities for management and reporting purposes; the presentation adjustments below reflect these transfers in the 2013+ CFE.

Presentation Adjustments

(\$ in millions)	<u>LBI</u>	<u>LCPI</u>	<u>LBSF</u>	<u>Other Debtors</u>	<u>Debtor- Controlled</u>	<u>Total</u>
2013+ Cash Flow Estimates, as presented in 2013+ CFE	18,118	9,127	2,364	3,516	4,512	37,637
Presentation Adjustments:						
Prior Period:						
Commercial Real Estate	(1,589)	(4,210)	-	-	5,799	-
Loans (Corporate & Residential)	37	(143)	-	-	106	-
Private Equity / Principal Investments	-	-	-	-	-	-
Derivatives	(28)	-	(29)	-	28	(29)
Other	(535)	6	29	-	6	(494)
Total Prior Period	(2,114)	(4,347)	-	-	5,939	(523)
Estimate Period:						
Commercial Real Estate	(658)	(1,133)	-	-	1,792	-
Loans (Corporate & Residential)	(245)	(38)	-	-	283	-
Private Equity / Principal Investments	32	(593)	-	-	275	(286)
Derivatives	(0)	-	14	-	0	14
Other	(6)	3	-	-	3	-
Recoveries from Non-Controlled Affiliates	(a) 251	-	(49)	(280)	873	795
Total Estimate Period	(626)	(1,761)	(35)	(280)	3,226	523
Total Presentation Adjustments	(2,741)	(6,109)	(35)	(280)	9,165	-
2013+ Cash Flow Estimates, as adjusted	15,377	3,018	2,329	3,236	13,677	37,637

Prior Period: January 1, 2013 - April 5, 2014

- (a) Approximately \$770 million of the net \$795 million adjustment to Recoveries from Non-Controlled Affiliates has been collected in the Prior Period and are related to the allowed customer claims of Woodlands against LBI and allowed claims of the Kingfisher CLO into LBCCA. For presentation purposes, this \$770 million is included in the Estimate Period as the 2013+ CFE did not provide the timing of estimated Recoveries from Non-Controlled Affiliates.

Presentation Adjustments (*continued*)

The following presentation adjustments to the 2013+ CFE are reflected in the comparative analyses herein:

- (i) Estimated cash flows for Property Asset Management Inc. (and its subsidiaries), ACQ SPV I Paper LLC, ACQ SPV II Paper LLC, as subsidiaries of LCPI, and PAMI Holdings LLC, Woodlands Commercial Corporation, and ACQ SPV I Holdings LLC, as wholly-owned subsidiaries of LBHI, have been adjusted to reflect the cash flows at the entity with direct ownership of the related assets;
- (ii) Interests in SASCO 2008 C-2 held by LBHI and LCPI have been adjusted to reflect the cash flows from the underlying assets at SASCO 2008 C-2 in Cash From Operations. Prior Period cash collections related to LBHI's and LCPI's interests in SASCO 2008 C-2 are reflected in Other Net Intercompany Receipts / (Payments) in the Cash Reconciliation table herein;
- (iii) Estimated cash flows related to assets encumbered to LCPI of \$275 million in Private Equity/Principal Investments and \$64 million related to Loans (Corporate & Residential) have been adjusted to reflect the estimated cash flows at LB 1 Group Inc. ("LB 1 Group") and LBHI, respectively;
- (iv) \$102 million of estimated cash flows have been reclassified from LBHI to LCPI related to the "Modified Settlement with Respect to the Valuable Funding Trust" [Docket No. 19370] in both CRE and Loans;
- (v) The underlying collateral of the Kingfisher CLO Ltd. has been adjusted to reflect the termination of the securitization and the transfer of assets to LBHI (refer to the Balance Sheets as of December 31, 2013 for further information); and
- (vi) Recoveries from Non-Controlled Affiliates of \$350 million at LBHI, LBSF and LOTC related to the PIK note as part of the settlement with LBI have been reclassified as Post-Petition Intercompany Receipts from Lehman Ali Inc., with a corresponding increase in Recoveries from Non-Controlled Affiliates at Lehman Ali Inc. LBHI's, LBSF's and LOTC's recoveries related to the PIK note are reflected in the Cash Reconciliation section herein for Prior Period recoveries of \$190 million and in the 2014+ Cash Flow Estimates as estimated Net Post-Petition Intercompany Receipts of \$160 million.

LBHI

Total Cash From Operations, including Prior Period Actuals, increased by \$4.4 billion to \$19.8 billion in the 2014+ Cash Flow Estimates compared to the estimates included in the 2013+ CFE due to an increase of \$4.2 billion in Recoveries from Non-Controlled Affiliates and an increase of \$0.4 billion in net receipts, partially offset by an increase of \$0.2 billion in operating disbursements.

LBHI

(\$ in millions)	2014+ Cash Flow Estimates				Comparative to 2013+ CFE				
	Apr-Dec			Total	2013+ CFE, as adjusted	Prior Period Actuals	2014+ Cash Flow Estimates	TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
	2014	2015	2016+			Prior Period Actuals	2014+ Cash Flow Estimates	TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
Net Receipts									
Commercial Real Estate	99	14	52	165	336	302	165	467	132
Loans (Corporate & Residential)	47	29	11	88	558	514	88	602	43
Private Equity / Principal Investments	19	25	30	74	305	316	74	390	84
Derivatives	-	-	-	-	0	(0)	-	(0)	(0)
Other	2	30	2	34	193	319	34	352	159
Sub-Total - Net Receipts	167	97	96	360	1,392	1,451	360	1,811	418
Professional Fees	(80)	(96)	(67)	(243)	(248)	(139)	(243)	(383)	(134)
Compensation & Benefits	(29)	(41)	(75)	(145)	(140)	(70)	(145)	(214)	(74)
Incentive Fees	(41)	(46)	(35)	(122)	(118)	(14)	(122)	(136)	(18)
Outsourced Services & IT	(8)	(8)	(14)	(31)	(33)	(9)	(31)	(40)	(7)
Other	(7)	(10)	(21)	(39)	(38)	(11)	(39)	(50)	(12)
Debtor Cost Allocation	-	-	-	-	(91)	(91)	-	(91)	-
Sub-Total - Operating Expenses (a)	(166)	(201)	(213)	(580)	(668)	(334)	(580)	(914)	(246)
Recoveries from Non-Controlled Affiliates				11,204	14,653	7,653	11,204	18,857	4,204
Total Cash From Operations (CFO)				10,984	15,377	8,770	10,984	19,754	4,377
Pre-Petition Intercompany Receipts from Controlled Entities				7,458					
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				431					
Investments in Affiliates				1,131					
Total CFO + Intercompany Receipts				20,004					

Prior Period: January 1, 2013 - April 5, 2014

(a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Net Receipts

LBHI collected approximately \$1.5 billion in Net Receipts during the Prior Period. Significant Prior Period monetization activity included the following:

- PE/PI: \$0.3 billion in distributions and sales proceeds primarily related to (i) limited partner interests, (ii) the Company's common equity investment in Neuberger Berman Group LLC, and (iii) BATS Trading, Inc.;
- Loans: \$0.2 billion from the sale of various residential real estate mortgage backed securities;

- Other: \$0.1 billion related to a settlement with a group of insurers related to the Marubeni litigation;
- Commercial Real Estate: \$0.1 billion primarily from the sale of the Prologis industrial property portfolio

LBHI (*continued*)

Net Receipts increased by \$0.4 billion to \$1.8 billion in the 2014+ Cash Flow Estimates, including Prior Period Actuals, due primarily to (i) Prior Period collections of \$0.1 billion related to the settlement with a group of insurers related to the Marubeni litigation, most of which had been excluded from the 2013+ CFE as it was a pending litigation recovery, and (ii) the realization of inventory in the PE/PI, CRE and Loans portfolios in excess of amounts forecasted in the 2013+ CFE, primarily driven by BATS Trading, Inc. and Neuberger Berman in PE/PI, residential mortgage-backed securities in Loans, and certain CRE positions.

Operating Disbursements

Operating Disbursements increased by \$246 million in the 2014+ Cash Flow Estimates, including Prior Period Actuals, primarily driven by (i) the anticipated increase in the volume and intensity of litigation and claims mitigation activities, accompanied by related increases in fees for third-party professionals, including outside counsel and advisors, and increased compensation costs for the specialized staff required to manage and execute these activities, and (ii) the anticipated increase in compensation costs and professional fees to optimize the collections of recoveries from Non-Controlled Affiliates.

Estimates for formula-based Incentive Fees increased commensurate with the increase in estimated recoveries.

Recoveries from Non-Controlled Affiliates

LBHI collected approximately \$7.7 billion from Non-Controlled Affiliates in the Prior Period consisting of (i) \$2.8 billion from LBI, (ii) \$2.3 billion from Hong Kong Affiliates, (iii) \$1.5 billion of receipts pertaining to assigned receivables from LBF, and (iv) \$1.1 billion from various other Non-Controlled Affiliates.

Recoveries from Non-Controlled Affiliates increased by \$4.2 billion to \$18.9 billion in the 2014+ Cash Flow Estimates, including Prior Period actuals, primarily due to largely due to better information obtained by both Non-Controlled Affiliates fiduciaries, who have in many cases increased their own estimates, as well as additional information obtained by the Company through settlement negotiations and involvement on creditors' committees.

The Company estimates that during the Estimate Period LBHI will collect approximately \$11.2 billion from Non-Controlled Affiliates, of which the Company estimates that approximately 70% will be collected from LBI, LBAH, LB UK Financing Ltd., and LBF.

Pre-Petition Intercompany Receipts from Controlled Entities

Pre-Petition intercompany receipts include recoveries from distributions on Allowed Claims against Debtors (per the Plan) and pre-petition intercompany receivables from Debtor-Controlled Entities. The Company estimates that LBHI will receive approximately \$7.5 billion, including (i) \$3.4 billion from Debtors, (ii) \$3.8 billion from Debtor-Controlled Entities, primarily LB 1 Group, LB Re Financing No. 1, Luxembourg Finance SARL, ARS Holdings II LLC, 314 Commonwealth Ave. Inc. and LB U.K. Holdings (Delaware) Inc., which collectively are estimated to represent more than 75% of the aggregate receipts from Controlled Entities, and (iii) \$0.3 billion related to allowed claims against LBHI that have been assigned to LBHI as part of the liquidation process of certain Debtor-Controlled Entities.

LBHI (*continued*)

***Net Post-Petition Intercompany Receipts from /
(Payables to) Controlled Entities***

Net Post-Petition intercompany receipts include the net settlement of Post-Petition intercompany receivables and payables between and among Debtors and Debtor-Controlled Entities, as described in the March 2014 Balance Sheets and adjusted for (i) D5 cash activity, (ii) net receipts related to the allocation of taxes in accordance with the Debtor Allocation Agreement, and (iii) various other items.

Investments in Affiliates

Investments in Affiliates include recoveries from wholly-owned subsidiaries in cases in which the subsidiary's net recoverable assets exceed or are expected to exceed its liabilities. The Company estimates that LBHI will receive approximately \$1.1 billion, primarily from PAMI Holdings and Lehman Brothers Bancorp.

LCPI

Total Cash From Operations, including Prior Period Actuals, increased by \$0.2 billion to \$3.3 billion in the 2014+ Cash Flow Estimates compared to the estimates included in the 2013+ CFE due to an increase of \$0.2 billion in net receipts, an increase of \$42 million in Recoveries from Non-Controlled Affiliates, and a decrease of \$26 million in operating disbursements.

LCPI

(\$ in millions)	2014+ Cash Flow Estimates				Comparative to 2013+ CFE				
	Apr-Dec			Total	2013+ CFE, as adjusted	Prior Period Actuals	2014+ Cash Flow Estimates	TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
	2014	2015	2016+			Prior Period Actuals	2014+ Cash Flow Estimates	TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
Net Receipts									
Commercial Real Estate	307	210	58	575	1,800	1,287	575	1,862	62
Loans (Corporate & Residential)	243	4	0	247	1,114	947	247	1,194	80
Private Equity / Principal Investments	132	2	-	134	235	113	134	248	13
Derivatives	-	-	-	-	-	4	-	4	4
Other	8	24	5	37	49	26	37	63	14
Sub-Total - Net Receipts	689	240	64	994	3,198	2,377	994	3,371	173
Professional Fees	(14)	(8)	(5)	(27)	(85)	(40)	(27)	(66)	19
Compensation & Benefits	(11)	(10)	(13)	(33)	(76)	(38)	(33)	(71)	5
Incentive Fees	(9)	(8)	(4)	(21)	(27)	(10)	(21)	(31)	(5)
Outsourced Services & IT	(9)	(5)	(5)	(19)	(37)	(19)	(19)	(38)	(1)
Other	(2)	(1)	(1)	(4)	(16)	(5)	(4)	(8)	8
Sub-Total - Operating Expenses (a)	(45)	(31)	(28)	(104)	(241)	(111)	(104)	(215)	26
Recoveries from Non-Controlled Affiliates				66	61	37	66	103	42
Total Cash From Operations (CFO)				956	3,018	2,303	956	3,259	241
Pre-Petition Intercompany Receipts from Controlled Entities				1,063					
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				258					
Investments in Affiliates				999					
Total CFO + Intercompany Receipts				3,277					

Prior Period: January 1, 2013 - April 5, 2014

- (a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Net Receipts

LCPI collected approximately \$2.4 billion in Net Receipts during the Prior Period. Significant Prior Period monetization activity included:

- Collection of \$0.5 billion related to the sale of the assets of Archstone Enterprise LP to AVB and EQR, including the subsequent sales of shares of AVB and EQR;
- Collection of \$0.4 billion from the sale of 237 Park Avenue, an office building located in New York City;
- Principal pay down of \$0.2 billion on the Hilton loan;

- Collection of \$0.1 billion related to the Standard Chartered Bank settlement;
- Principal pay down of \$0.1 billion from Chequer Finance; and
- The liquidation of the majority of the Whole Loan Residential Mortgage portfolio for net cash receipts of approximately \$0.1 billion.

Net Receipts increased by \$0.2 billion to \$3.4 billion in the 2014+ Cash Flow Estimates, including Prior Period Actuals, due primarily to the realization of inventory in the Commercial Real Estate portfolio in excess of amounts forecasted in the 2013+ CFE.

LCPI (*continued*)

Operating Disbursements

Operating Disbursements decreased by \$26 million in the 2014+ Cash Flow Estimates, including Prior Period Actuals, primarily driven by the acceleration of monetization activity in the Commercial Real Estate and Loans portfolios, and the related decreases in professional fees and compensation costs for the specialized staff managing these portfolios.

Estimates for formula-based Incentive Fees increased commensurate with the increase in estimated recoveries.

Pre-Petition Intercompany Receipts from Controlled Entities

Pre-Petition intercompany receipts include recoveries from distributions on Allowed Claims against Debtors (per the Plan) and pre-petition intercompany receivables from Debtor-Controlled Entities. The Company estimates that LCPI will receive approximately \$1.1 billion, primarily from Lehman Ali Inc., LBCC, and PAMI Ali LLC.

Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities

Net Post-Petition intercompany receipts include the net settlement of Post-Petition intercompany receivables and payables between and among Debtors and Debtor-Controlled Entities (as described in the March 2014 Balance Sheets, adjusted for certain items described in the Basis of Presentation Section herein).

Estimated net Post-Petition intercompany receipts at LCPI primarily includes receipts from LB 1 Group for financial inventory encumbered to LCPI, partially offset by payments to LCPI Properties Inc. and LBHI.

Investments in Affiliates

Investments in Affiliates include recoveries from wholly-owned subsidiaries in cases in which the subsidiary's net recoverable assets exceed or are expected to exceed its liabilities. The Company estimates that LCPI will receive approximately \$1.0 billion, primarily from Property Asset Management Inc. and LCPI Properties Inc.

LBSF

Total Cash From Operations, including Prior Period Actuals, increased by \$0.6 billion to \$2.9 billion in the 2014+ Cash Flow Estimates compared to the estimates included in the 2013+ CFE due to an increase of \$0.6 billion in net receipts, an increase of \$60 million in Recoveries from Non-Controlled Affiliates, partially offset by an increase of \$60 million in operating disbursements.

LBSF

(\$ in millions)	2014+ Cash Flow Estimates				Comparative to 2013+ CFE				
	Apr-Dec			Total	2013+ CFE, as adjusted	Prior Period Actuals	2014+ Cash Flow Estimates	TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
	2014	2015	2016+						
Net Receipts									
Commercial Real Estate	-	-	-	-	-	-	-	-	-
Loans (Corporate & Residential)	13	-	-	13	13	7	13	21	8
Private Equity / Principal Investments	-	-	-	-	-	-	-	-	-
Derivatives	713	162	-	875	2,309	1,981	875	2,856	547
Other	35	33	15	83	43	12	83	95	52
Sub-Total - Net Receipts	761	195	15	971	2,365	2,001	971	2,972	607
Professional Fees	(39)	(52)	(39)	(130)	(137)	(54)	(130)	(184)	(47)
Compensation & Benefits	(9)	(32)	(59)	(101)	(174)	(65)	(101)	(166)	8
Incentive Fees	(5)	(2)	(6)	(13)	(13)	(16)	(13)	(28)	(15)
Outsourced Services & IT	(8)	(9)	(13)	(30)	(52)	(25)	(30)	(55)	(3)
Other	(2)	(3)	(11)	(17)	(19)	(6)	(17)	(22)	(3)
Debtor Cost Allocation	-	-	-	-	91	91	-	91	-
Sub-Total - Operating Expenses (a)	(64)	(98)	(128)	(290)	(304)	(74)	(290)	(364)	(60)
Recoveries from Non-Controlled Affiliates				103	267	224	103	327	60
Total Cash From Operations (CFO)				784	2,329	2,152	784	2,935	607
Pre-Petition Intercompany Receipts from Controlled Entities				219					
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				60					
Investments in Affiliates				-					
Total CFO + Intercompany Receipts				1,063					

Prior Period: January 1, 2013 - April 5, 2014

- (a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Net Receipts

Net Receipts increased by \$0.6 billion to \$3.0 billion in the 2014+ Cash Flow Estimates, including Prior Period Actuals, due primarily to higher anticipated recoveries from SPV's and a net increase in other positions in the Derivatives portfolio related to settlements with various counterparties.

Operating Disbursements

Operating Disbursements increased by \$60 million in the 2014+ Cash Flow Estimates, primarily driven by an anticipated increase in the volume and intensity of litigation and claims mitigation activities, accompanied by related increases in fees for third-party professionals, including outside counsel and advisors.

Estimates for formula-based Incentive Fees increased commensurate with the increase in estimated recoveries.

LBSF (*continued*)

Recoveries from Non-Controlled Affiliates

LBSF collected \$224 million during the Prior Period and the Company estimates that LBSF will collect an additional \$103 million during the Estimate Period, primarily related to LBT.

Recoveries from Non-Controlled Affiliates increased by \$60 million to \$327 million, primarily related to recoveries from LBT.

Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities

Net Post-Petition intercompany receipts include the net settlement of Post-Petition intercompany receivables and payables between and among Debtors and Debtor-Controlled Entities.

Estimated Net Post-Petition Intercompany Receipts at LBSF of \$60 million primarily reflects anticipated intercompany activity with LBHI.

Pre-Petition Intercompany Receipts from Controlled Entities

Pre-Petition intercompany receipts include recoveries from distributions on Allowed Claims against Debtors (per the Plan) and pre-petition intercompany receivables from Debtor-Controlled Entities. The Company estimates that LBSF will receive approximately \$0.2 billion, including (i) approximately \$0.1 billion from Debtors and (ii) approximately \$0.1 billion from Debtor-Controlled Entities.

Other Debtors

(\$ in millions)	2014+ Cash Flow Estimates						Comparative to 2013+ CFE (excluding Intercompany Receipts)					
	Apr-Dec			Recoveries from Non- Controlled Affiliates	Total CFO	Intercompany Receipts from Controlled, net	Total	2014+ Cash Flow Estimates			TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
	2014	2015	2016+					Prior Period Actuals	2014+ Cash Flow Estimates			
LOTC	8	(4)	(2)	81	83	90	172	1,186	1,254	83	1,337	150
LBCC	6	(4)	(4)	394	393	11	404	682	477	393	870	187
LBCS	4	11	(5)	348	357	41	399	587	299	357	656	70
Lux Resi	(2)	(1)	(1)	-	(3)	(0)	(3)	712	702	(3)	699	(13)
LBFP	(0)	(0)	(1)	(0)	(1)	13	11	(0)	(0)	(1)	(1)	(1)
Merit LLC	(0)	39	(0)	23	62	2	64	80	40	62	102	22
LBDP	(0)	(0)	(1)	(0)	(2)	(1)	(2)	(10)	(2)	(2)	(4)	6
Other Debtors	(0)	(1)	(0)	6	5	131	136	(1)	14	5	19	20
Total - Other Debtors	16	40	(15)	852	894	287	1,180	3,236	2,783	894	3,677	441

Prior Period: January 1, 2013 - April 5, 2014

LOTC

The increase in the 2014+ Cash Flow Estimates, including Prior Period Actuals, at LOTC of \$150 million is driven primarily by (i) an increase in estimated recoveries from Non-Controlled Affiliates, and (ii) increased estimated recoveries on Derivatives at LOTC received as part of the LBI settlement.

Intercompany Receipts from Controlled, net of \$90 million for LOTC is primarily driven by estimated receipts from Lehman Ali Inc. (a Debtor-Controlled Entity) related to the PIK note, partially offset by post-petition activity.

LBCS

The increase in the 2014+ Cash Flow Estimates, including Prior Period Actuals, at LBCC of \$70 million is driven primarily by an increase in estimated recoveries from Non-Controlled Affiliates.

LBCC

The increase in the 2014+ Cash Flow Estimates, including Prior Period Actuals, at LBCC of \$187 million is driven primarily by an increase in estimated recoveries from Non-Controlled Affiliates.

Debtor-Controlled Entities

Debtor-Controlled Entities

(\$ in millions)	2014+ Cash Flow Estimates				Comparative to 2013+ CFE				
					2013+ CFE, as adjusted	Prior Period Actuals	2014+ Cash Flow Estimates	TOTAL 2014+ incl. Prior Period	Variance 2013+ vs. 2014+
	Apr-Dec 2014	2015	2016+	Total					
Net Receipts									
Commercial Real Estate	779	643	55	1,476	8,229	6,732	1,476	8,208	(22)
Loans (Corporate & Residential)	139	8	4	151	469	441	151	592	122
Private Equity / Principal Investments	883	894	672	2,448	3,159	1,760	2,448	4,208	1,050
Derivatives	1	3	-	5	29	27	5	31	2
Other	3	2	0	5	49	14	5	19	(30)
Sub-Total - Net Receipts	1,804	1,549	731	4,084	11,936	8,974	4,084	13,058	1,122
Professional Fees	(7)	(5)	(6)	(19)	(34)	(24)	(19)	(42)	(8)
Compensation & Benefits	(12)	(18)	(29)	(59)	(61)	(31)	(59)	(90)	(29)
Incentive Fees	(0)	-	0	(0)	-	(1)	(0)	(1)	(1)
Outsourced Services & IT	(3)	(3)	(5)	(11)	(11)	(8)	(11)	(19)	(8)
Other	(3)	(5)	(8)	(15)	(12)	(7)	(15)	(22)	(10)
Sub-Total - Operating Expenses (a)	(25)	(31)	(48)	(104)	(118)	(71)	(104)	(175)	(56)
Recoveries from Non-Controlled Affiliates				2,042	1,846	1,341	2,042	3,383	1,537
Total Cash From Operations (CFO)				6,022	13,663	10,244	6,022	16,266	2,603
Pre-Petition Intercompany Receipts from Debtors				1,273					
Net Post-Petition Intercompany Receipts from / (Payables to) Debtors				(877)					
Investments in Affiliates (Debtors only)				408					
Total CFO + Intercompany Receipts				6,827					

Prior Period: January 1, 2013 - April 5, 2014

- (a) Estimated Operating Disbursements include estimated costs related to (i) Affirmative Litigations, the potential recoveries from which are **excluded** from estimated Net Receipts, and (ii) Recoveries from Non-Controlled Affiliates, the timing of which are not provided herein.

Net Receipts

Debtor-Controlled Entities collected approximately \$9.0 billion in Net Receipts during the Prior Period. Significant Prior period monetization activity included:

- Collections of approximately \$5.4 billion related to the sale of the assets of Archstone Enterprise LP to AVB and EQR, including the subsequent sales of shares in AVB and EQR;
- \$0.3 billion related to limited partner interests in One William Street;
- \$0.1 billion from the sale of the investment in NB Private Equity Partners Ltd.;
- \$0.1 billion from the paydown of the Varel International loan; and
- \$0.1 billion from the sale of the investment in MEG Energy.

Net Receipts increased by \$1.1 billion to \$13.1 billion in the 2014+ Cash Flow Estimates, including Prior Period Actuals, primarily due to (i) an increase in the final agreed sales price of Neuberger Berman LLC, compared to estimates presented in the 2013+ CFE, (ii) an increase in the expected realization from interests in Antero Resources LLC, Firth Rixson Ltd., First Data Holdings, Inc., and Formula One, and (iii) a net overall increase in estimated recoveries from various other assets in the PE/PI and Loans portfolios.

Debtor-Controlled Entities (*continued*)

Operating Disbursements

Operating Disbursements increased by \$56 million in the 2014+ Cash Flow Estimates, including Period Actuals, driven by the anticipated increase in compensation costs and professional fees to manage and optimize continued asset monetization and wind down activities.

Recoveries from Non-Controlled Affiliates

Debtor-Controlled Entities collected approximately \$1.3 billion from Non-Controlled Affiliates in the Prior Period, including (i) \$770 million from LBI, (ii) \$264 million from LBAH, (iii) \$158 million from LBIE, and (iv) \$154 million from LB UK RE.

Recoveries to Debtor-Controlled Entities from Non-Controlled Affiliates increased by \$1.5 billion to \$3.4 billion in the 2014+ Cash Flow Estimates, including Prior Period Actuals, primarily due to increased recoveries from UK and Hong Kong Affiliates.

The Company estimates that Debtor-Controlled Entities will collect during the Estimate Period approximately \$2.0 billion, of which approximately 68% is estimated to be collected from various UK Affiliates.

Pre-Petition Intercompany Receipts from Controlled Entities

Pre-Petition intercompany receipts include recoveries from distributions on Allowed Claims against Debtors (per the Plan). The Company estimates that Debtor-Controlled Entities will receive approximately \$1.3 billion, primarily driven by LB Re Financing No. 2 Limited and Lehman ALI's allowed affiliate claims against LBHI.

Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities

Net Post-Petition intercompany receipts include the net settlement of Post-Petition intercompany receivables and payables between Debtors and Debtor-Controlled Entities (as described in the March 2014 Balance Sheets, adjusted for certain items described in the Basis of Presentation section herein).

The Company estimates that Debtor-Controlled Entities will make net payments to Debtors of approximately \$0.9 billion during the Estimate Period, primarily including \$0.4 million to LBHI and \$0.3 million to LCPI.

Investments in Affiliates

Investments in Affiliates include recoveries from wholly-owned subsidiaries in cases in which the subsidiary's net recoverable assets exceed its liabilities.

The Company estimates that Debtor-Controlled Entities will recover approximately \$0.4 billion through Investments in Affiliates, primarily driven by LBDP and LBFP.

IX. 2014+ Cash Flow Estimates

	Grand Total Cash Flow Estimates (\$ in millions)					
	LBHI	LCPI	LBSF	Other Debtors	Debtors- Controlled	Total Estimates
Gross Receipts						
Commercial Real Estate	165	627	-	0	1,589	2,381
Loans (Corporate & Residential)	88	259	13	-	151	511
Private Equity / Principal Investments	74	134	-	-	2,599	2,807
Derivatives	-	-	875	75	5	954
Other	34	37	83	9	5	168
Gross Receipts, Total	360	1,058	971	84	4,348	6,821
Non-Operating Disbursements						
Commercial Real Estate	(0)	(53)	-	-	(113)	(165)
Loans (Corporate & Residential)	-	(12)	-	-	-	(12)
Private Equity / Principal Investments	(0)	-	-	-	(151)	(151)
Derivatives	-	-	-	-	-	-
Other	-	-	-	-	-	-
Non-Operating Disbursements, Total	(0)	(64)	-	-	(264)	(328)
Net Receipts	360	994	971	84	4,084	6,492
Operating Disbursements						
Professional Fees	(243)	(27)	(130)	(15)	(19)	(434)
Compensation & Benefits	(145)	(33)	(101)	(10)	(59)	(347)
Incentive Fees	(122)	(21)	(13)	(13)	(0)	(169)
Outsourced Services & IT	(31)	(19)	(30)	(2)	(11)	(93)
Other	(39)	(4)	(17)	(2)	(15)	(76)
Operating Disbursements, Total	(580)	(104)	(290)	(42)	(104)	(1,119)
Recoveries from Non-Controlled Affiliates	11,204	66	103	852	2,042	14,266
Total Cash From Operations	10,984	956	784	894	6,022	19,639
Pre-Petition Intercompany Receipts from Controlled Entities	7,458	1,063	219	160	1,273	
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities	431	258	60	126	(877)	
Investments in Affiliates	1,131	999	-	-	408	
Total Cash From Operations + Intercompany Receipts	20,004	3,277	1,063	1,180	6,827	

Lehman Brothers Holdings Inc. ("LBHI")
Cash Flow Estimates
 (\$ in millions)

	Apr-Dec 2014	2015	Beyond 2015	Total Estimates
Gross Receipts				
Commercial Real Estate	99	14	52	165
Loans (Corporate & Residential)	47	29	11	88
Private Equity / Principal Investments	19	25	30	74
Derivatives	-	-	-	-
Other	2	30	2	34
Gross Receipts, Total	167	97	96	360
Non-Operating Disbursements				
Commercial Real Estate	(0)	-	-	(0)
Loans (Corporate & Residential)	-	-	-	-
Private Equity / Principal Investments	(0)	-	-	(0)
Derivatives	-	-	-	-
Other	-	-	-	-
Non-Operating Disbursements, Total	(0)	-	-	(0)
Net Receipts	167	97	96	360
Operating Disbursements				
Professional Fees	(80)	(96)	(67)	(243)
Compensation & Benefits	(29)	(41)	(75)	(145)
Incentive Fees	(41)	(46)	(35)	(122)
Outsourced Services & IT	(8)	(8)	(14)	(31)
Other	(7)	(10)	(21)	(39)
Operating Disbursements, Total	(166)	(201)	(213)	(580)
Recoveries from Non-Controlled Affiliates				11,204
Total Cash From Operations				10,984
Pre-Petition Intercompany Receipts from Controlled Entities				7,458
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				431
Investments in Affiliates				1,131
Total Cash From Operations + Intercompany Receipts				20,004

Lehman Commercial Paper Inc. ("LCPI")
Cash Flow Estimates
 (\$ in millions)

	Apr-Dec 2014	2015	Beyond 2015	Total Estimates
Gross Receipts				
Commercial Real Estate	323	237	67	627
Loans (Corporate & Residential)	255	4	0	259
Private Equity / Principal Investments	132	2	-	134
Derivatives	-	-	-	-
Other	8	24	5	37
Gross Receipts, Total	718	268	73	1,058
Non-Operating Disbursements				
Commercial Real Estate	(16)	(27)	(9)	(53)
Loans (Corporate & Residential)	(12)	-	-	(12)
Private Equity / Principal Investments	-	-	-	-
Derivatives	-	-	-	-
Other	-	-	-	-
Non-Operating Disbursements, Total	(28)	(27)	(9)	(64)
Net Receipts	689	240	64	994
Operating Disbursements				
Professional Fees	(14)	(8)	(5)	(27)
Compensation & Benefits	(11)	(10)	(13)	(33)
Incentive Fees	(9)	(8)	(4)	(21)
Outsourced Services & IT	(9)	(5)	(5)	(19)
Other	(2)	(1)	(1)	(4)
Operating Disbursements, Total	(45)	(31)	(28)	(104)
Recoveries from Non-Controlled Affiliates				66
Total Cash From Operations				956
Pre-Petition Intercompany Receipts from Controlled Entities				1,063
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				258
Investments in Affiliates				999
Total Cash From Operations + Intercompany Receipts				3,277

Lehman Brothers Special Financing Inc. ("LBSF")

Cash Flow Estimates

(\$ in millions)

	Apr-Dec 2014	2015	Beyond 2015	Total Estimates
Gross Receipts				
Commercial Real Estate	-	-	-	-
Loans (Corporate & Residential)	13	-	-	13
Private Equity / Principal Investments	-	-	-	-
Derivatives	713	162	-	875
Other	35	33	15	83
Gross Receipts, Total	761	195	15	971
Non-Operating Disbursements				
Commercial Real Estate	-	-	-	-
Loans (Corporate & Residential)	-	-	-	-
Private Equity / Principal Investments	-	-	-	-
Derivatives	-	-	-	-
Other	-	-	-	-
Non-Operating Disbursements, Total	-	-	-	-
Net Receipts	761	195	15	971
Operating Disbursements				
Professional Fees	(39)	(52)	(39)	(130)
Compensation & Benefits	(9)	(32)	(59)	(101)
Incentive Fees	(5)	(2)	(6)	(13)
Outsourced Services & IT	(8)	(9)	(13)	(30)
Other	(2)	(3)	(11)	(17)
Operating Disbursements, Total	(64)	(98)	(128)	(290)
Recoveries from Non-Controlled Affiliates				103
Total Cash From Operations				784
Pre-Petition Intercompany Receipts from Controlled Entities				219
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				60
Investments in Affiliates				-
Total Cash From Operations + Intercompany Receipts				1,063

Other Debtors (excluding LBHI, LCPI, and LBSF)

Cash Flow Estimates

(\$ in millions)

	Apr-Dec 2014	2015	Beyond 2015	Total Estimates
Gross Receipts				
Commercial Real Estate	0	-	-	0
Loans (Corporate & Residential)	-	-	-	-
Private Equity / Principal Investments	-	-	-	-
Derivatives	20	55	-	75
Other	7	1	0	9
Gross Receipts, Total	28	56	0	84
Non-Operating Disbursements				
Commercial Real Estate	-	-	-	-
Loans (Corporate & Residential)	-	-	-	-
Private Equity / Principal Investments	-	-	-	-
Derivatives	-	-	-	-
Other	-	-	-	-
Non-Operating Disbursements, Total	-	-	-	-
Net Receipts	28	56	0	84
Operating Disbursements				
Professional Fees	(5)	(6)	(4)	(15)
Compensation & Benefits	(2)	(3)	(5)	(10)
Incentive Fees	(3)	(5)	(4)	(13)
Outsourced Services & IT	(1)	(1)	(1)	(2)
Other	(0)	(1)	(1)	(2)
Operating Disbursements, Total	(11)	(16)	(15)	(42)
Recoveries from Non-Controlled Affiliates				852
Total Cash From Operations				894
Pre-Petition Intercompany Receipts from Controlled Entities				160
Net Post-Petition Intercompany Receipts from / (Payables to) Controlled Entities				126
Investments in Affiliates				-
Total Cash From Operations + Intercompany Receipts				1,180

	Total Debtor-Controlled Entities			
	Cash Flow Estimates			
	(\$ in millions)			
	Apr-Dec 2014	2015	Beyond 2015	Total Estimates
Gross Receipts				
Commercial Real Estate	845	688	55	1,589
Loans (Corporate & Residential)	139	8	4	151
Private Equity / Principal Investments	1,034	894	672	2,599
Derivatives	1	3	-	5
Other	3	2	0	5
Gross Receipts, Total	2,022	1,594	731	4,348
Non-Operating Disbursements				
Commercial Real Estate	(66)	(45)	(1)	(113)
Loans (Corporate & Residential)	-	-	-	-
Private Equity / Principal Investments	(151)	-	-	(151)
Derivatives	-	-	-	-
Other	-	-	-	-
Non-Operating Disbursements, Total	(218)	(45)	(1)	(264)
Net Receipts	1,804	1,549	731	4,084
Operating Disbursements				
Professional Fees	(7)	(5)	(6)	(19)
Compensation & Benefits	(12)	(18)	(29)	(59)
Incentive Fees	(0)	-	0	(0)
Outsourced Services & IT	(3)	(3)	(5)	(11)
Other	(3)	(5)	(8)	(15)
Operating Disbursements, Total	(25)	(31)	(48)	(104)
Recoveries from Non-Controlled Affiliates				2,042
Total Cash From Operations				6,022
Pre-Petition Intercompany Receipts from Debtors				1,273
Net Post-Petition Intercompany Receipts from / (Payables to) Debtors				(877)
Investments in Affiliates (Debtors only)				408
Total Cash From Operations + Intercompany Receipts				6,827

X. Reconciliation of 2014+ Cash Flow Estimates to March 31, 2014 Balance Sheets

This schedule reconciles amounts disclosed in “Financial Instruments and Other Inventory Positions” in the March 2014 Balance Sheets to Gross Receipts reflected in the 2014+ Cash Flow Estimates for Commercial Real Estate, Loans, Private Equity / Principal Investments, and Derivatives.

(\$ in millions)	LBHI	LBSF	LCPI	Other Debtors	Total Debtor Entities	Total Debtor-Controlled Entities	Total LBHI Controlled Entities
Commercial Real Estate							
Amounts per Balance Sheets as of March 31, 2014	\$ 103	\$ -	\$ 467	\$ 0	\$ 569	\$ 1,229	\$ 1,799
Adj. for Market, Economic, and Discount Factors (a)	10	-	116	0	127	263	390
Discount	8	-	117	0	125	262	387
Market and Economic Factors	2	-	(0)	-	2	1	3
Add Back:							
Cash Flows from Interest Income and Fees	1	-	-	-	1	-	1
Future Non-Operating Disbursements (b)	0	-	32	-	32	64	96
Other (c)	51	-	12	0	63	32	95
Estimated Undiscounted Gross Receipts, per Cash Flow Estimates	<u>\$ 165</u>	<u>\$ -</u>	<u>\$ 627</u>	<u>\$ 0</u>	<u>\$ 792</u>	<u>\$ 1,589</u>	<u>\$ 2,381</u>
Loans (Corporate and Residential Real Estate)							
Amounts per Balance Sheets as of March 31, 2014	\$ 59	\$ 9	\$ 255	\$ -	\$ 324	\$ 126	\$ 449
Adj. for Market, Economic, and Discount Factors (a)	11	-	-	-	11	1	11
Discount	11	-	-	-	11	1	11
Market and Economic Factors	-	-	-	-	-	-	-
Add Back:							
Cash Flows from Interest Income and Fees	-	-	-	-	-	-	-
Future Non-Operating Disbursements (b)	-	-	8	-	8	-	8
Other (c)	17	4	(4)	-	17	25	42
Estimated Undiscounted Gross Receipts, per Cash Flow Estimates	<u>\$ 88</u>	<u>\$ 13</u>	<u>\$ 259</u>	<u>\$ -</u>	<u>\$ 360</u>	<u>\$ 151</u>	<u>\$ 511</u>
Private Equity / Principal Investments							
Amounts per Balance Sheets as of March 31, 2014	\$ 40	\$ -	\$ 116	\$ -	\$ 156	\$ 2,101	\$ 2,257
Adj. for Market, Economic, and Discount Factors (a)	(0)	-	16	-	15	247	262
Discount	-	-	-	-	-	-	-
Market and Economic Factors	(0)	-	16	-	15	247	262
Add Back:							
Cash Flows from Interest Income and Fees	-	-	2	-	2	-	2
Future Non-Operating Disbursements (b)	-	-	-	-	-	151	151
Other (c)	34	-	(0)	-	34	100	135
Estimated Undiscounted Gross Receipts, per Cash Flow Estimates	<u>\$ 74</u>	<u>\$ -</u>	<u>\$ 134</u>	<u>\$ -</u>	<u>\$ 208</u>	<u>\$ 2,599</u>	<u>\$ 2,807</u>
Derivatives							
Amounts per Balance Sheets as of March 31, 2014	\$ -	\$ 852	\$ -	\$ 70	\$ 923	\$ 2	\$ 924
Adj. for Market, Economic, and Discount Factors (a)	-	23	-	4	27	3	30
Discount	-	-	-	-	-	-	-
Market and Economic Factors	-	23	-	4	27	3	30
Add Back:							
Cash Flows from Interest Income and Fees	-	-	-	-	-	-	-
Future Non-Operating Disbursements (b)	-	-	-	-	-	-	-
Other (c)	<u>\$ -</u>	<u>\$ 875</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 950</u>	<u>\$ 5</u>	<u>\$ 954</u>

- (a) Adjustments to reconcile the 2014 Balance Sheets to the Net Receipts as presented in the 2014+ Cash Flow Estimates, primarily resulting from assumptions for market and economic factors for certain investments, and the discounting effect for future cash flows.
- (b) Represents estimated cash disbursements over the Estimate Period for capital calls, fundings for operations, and other investments made to preserve asset value.
- (c) Other includes the remaining proceeds expected to be received in future periods for positions sold as of March 31, 2014; these balances are recorded as receivables in the Company's quarterly Balance Sheet disclosures.

XI. Schedule of Restricted Cash as of April 5, 2014

\$ in millions	LBHI	LBSF	LCPI	Other Debtors	Debtor-Controlled	TOTAL
Reserves for Claims:						
Disputed Unsecured Claims (a)	2,149	2,340	23	1,090	-	5,602
Tax Claims (b)	390	117	-	4	-	511
Distributions on Allowed Claims (not remitted) (c)	105	55	327	7	-	494
Secured, Admin, Priority Claims and Other (d)	78	16	10	7	-	112
Subtotal, Claims Reserves	2,722	2,529	359	1,109	-	6,719
Cash pledged to JPMorgan (CDA) (e)	313	-	-	-	-	313
Citigroup and HSBC (f)	2,040	-	-	-	-	2,040
Other (g)	188	1	57	29	133	408
Total	5,263	2,529	416	1,138	133	9,480

- (a) Represents the cash reserve for disputed unsecured claims after the fifth Plan distribution on April 3, 2014
- (b) Represents the cash reserve for the Internal Revenue Service (“IRS”) amended proof of claim that was filed in December 2013
- (c) Represents unpaid Plan distributions to holders of Allowed Claims, including (i) approximately \$342 million primarily related to the unsecured 7th Avenue Claim against LCPI and LBSF as described in the Bankhaus Settlement Agreement included in Exhibit 3 of the Plan, and (ii) approximately \$152 million related to claimants who failed to submit the proper taxpayer identification number forms and/or Office of Foreign Asset Control forms and other open items
- (d) Includes approximately \$32 million related to post-petition intercompany payables, \$10 million related to disputed secured claims and \$70 million related to other administrative activities and other
- (e) Represents \$313 million of cash deposited into accounts by LBHI and pledged to JPMorgan (and its affiliates (“JPM”)) pursuant to paragraph 6(b) of the Collateral Disposition Agreement (“CDA”) with JPM effective March 31, 2010, related to, but not limited to, clearance exposures and derivative exposures, pending resolution of these items
- (f) Represents cash deposited on or prior to September 14, 2008 by the Company in connection with certain requests and/or documents executed by the Company and Citibank N.A. of approximately \$2 billion and HSBC Bank PLC of \$32 million, including interest earned thereon. The Company is in discussion with HSBC Bank and commenced litigation against Citigroup regarding these deposits, among other things
- (g) Other includes: (i) various pre-petition balances on administrative hold by certain financial institutions of \$95 million, (ii) asserted misdirected wires and other cash received by LBHI for the benefit of third parties and Non-Controlled Affiliates of approximately \$69 million, (iii) cash not remitted to Debtor-Controlled Entities of \$122 million to various Non-Controlled Affiliates, pending settlements on intercompany balances, for their pro rata share of distributions, and (iv) other miscellaneous items of \$122 million